CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

TGLT S.A.

AS OF MARCH 31, 2016 (THREE-MONTH PERIOD)

(PRESENTED COMPARATIVELY)

TGLT S.A.

Place of Business: Av. Scalabrini Ortiz 3333 – 1st Floor

City of Buenos Aires, Argentine Republic

FISCAL YEAR NO. 12 STARTED ON JANUARY 1, 2016.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2016

TGLT GROUP, PRESENTED COMPARATIVELY

(figures expressed in Argentine pesos)

Nature of business: Management of real estate projects and undertakings, urban development; planning, evaluation, scheduling, formulation, development, implementation, administration, coordination, supervision, handling, organization, direction and performance in the management of real estate businesses; exploitation of trademarks, patents, methods, formulas, licenses, technologies, know-how, models and designs; every form of commercialization; study, planning, projection, advisory and/or execution of all types of public and/or private, national and/or provincial works, in rural real estate, urban dwellings, offices, premises, neighborhoods, towns and cities, roads, engineering and/or architectural works in general, managing, plan and project drawing, participate in biddings of public or private works, and taking over works already started; import and export of building machinery, tools and materials; acting as a non-financial guarantor (trustee).

Date of registration with Inspección General de Justicia (registry of business entities for the City of Buenos Aires):

- Bylaws: June 13, 2005

- Last amendment: September 30, 2014

Registration ID with Inspección General de Justicia: 1.754.929

Bylaws maturity date: June 12, 2104

C.U.I.T. (taxpayer identification number): 30-70928253-7

Information about controlled companies: See Note 4.2 to the consolidated financial statements.

Information about controlling parties: See Note 20 to the consolidated financial statements.

Share capital (figures in Argentine Pesos)	
Shares	Issued, subscribed and paid-in share capital
Ordinary, book-entry shares, carrying one vote each with a par value of (P.V.) $ 1	70,349,485
	70,349,485

TGLT S.A.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS

AS OF MARCH 31, 2016 AND DECEMBER 31, 2015

(figures expressed in Argentine pesos -$)

	Notes	Mar 31, 2016	Dec 31, 2015
ASSETS			
Current assets			
Cash and cash equivalents	5	252,606,261	95,073,323
Financial instruments	35	2,107,071	-
Account receivables	6	28,374,489	31,119,108
Other receivables	7	283,649,668	265,525,202
Receivables from related parties	29	7,461,769	7,952,268
Inventory	8	3,296,094,581	3,116,583,692
Total current assets		3,870,293,839	3,516,253,593
Non-current assets			
Other receivables	7	640,525	829,405
Investment property under construction	39	34,405,951	34,326,685
Property, plant and equipment	9	10,390,115	9,849,355
Intangible assets	10	1,197,224	1,245,509
Tax assets	11	381,532,282	344,494,133
Goodwill	12	111,445,604	111,445,604
Total non-current assets		539,611,701	502,190,691
Total assets		**4,409,905,540**	**4,018,444,284**
LIABILITIES			
Current Liabilities			
Accounts payable	13	446,005,329	415,701,182
Short-term financial debt	14	332,226,847	392,037,742
Salaries and social security	15	18,989,266	19,789,322
Current tax liabilities	16	2,785,074	7,412,394
Other tax burden	17	47,642,565	38,980,268
Outstanding sums due to related parties	29	334,377,697	333,973,297
Advanced payments of clients	18	2,529,959,589	2,199,841,286
Other accounts payables	19	21,287,883	12,428,160
Total current Liabilities		3,733,274,250	3,420,163,651
Non-current liabilities			
Accounts payable	13	9,512,351	8,780,560
Long-term financial debt	14	153,046,003	58,717,680
Non-current tax liabilities	16	4,041,590	-
Other tax burden	17	2,740,675	3,120,044
Other accounts payable	19	35,280,000	46,944,000
Deferred tax liabilities	28	290,064,881	265,599,814
Total non-current liabilities		494,685,500	383,162,098
Total liabilities		**4,227,959,750**	**3,803,325,749**
EQUITY			
Equity atributable to owners of the parent		139,357,797	172,124,894
Equity allocated to the non-controlling interest		42,587,993	42,993,641
Total equity		**181,945,790**	**215,118,535**
Total liabilities and equity		**4,409,905,540**	**4,018,444,284**

Notes 1 to 44 are an integral part of these financial statements.

TGLT S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND OTHER COMPREHENSIVE LOSS

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016 AND 2015

(figures expressed in Argentine pesos - $)

	Notes	Mar 31, 2016	Mar 31, 2015
Revenue from ordinary activities	22	183,502,154	143,612,190
Cost of ordinary activities	23	(148,639,269)	(107,881,226)
Gross profit		**34,862,885**	**35,730,964**
Sales expenses	24	(17,950,823)	(10,414,899)
Administrative expenses	25	(29,602,468)	(19,491,072)
Operating (loss) / profit		**(12,690,406)**	**5,824,993**
Other expenses	10	(121,643)	(74,534)
Financial results			
Exchange difference	26	(4,934,603)	(11,186,743)
Financial income	26	3,775,466	12,752,227
Financial costs	26	(28,775,490)	(12,056,514)
Other income and expenses, net	27	12,275,461	5,764
Loss before tax		**(30,471,215)**	**(4,734,807)**
Income tax benefit / (expense)	28	6,054,741	(85,350)
Loss for the period		**(24,416,474)**	**(4,820,157)**
Other comprehensive income that will be reclassified as gain or loss			
Difference for the conversion of a net investment abroad		(8,756,271)	(606,380)
Total of other comprehensive loss		(8,756,271)	(606,380)
Total comprehensive loss for the period		**(33,172,745)**	**(5,426,537)**
Loss for the period attributable to:			
Equity holders of the parent		(24,010,826)	(5,192,656)
Non-controlling interest		(405,648)	372,499
Total loss for the period		**(24,416,474)**	**(4,820,157)**
Attributable to Equity holders of the parent			
Base	37	**(0.34)**	**(0.07)**
Diluted	37	**(0.34)**	**(0.07)**
Total comprehensive loss for the period attributable to:			
Equity holders of the parent		(32,767,097)	(5,799,036)
Non-controlling interest		(405,648)	372,499
Total loss for the period		**(33,172,745)**	**(5,426,537)**

Notes 1 to 44 are an integral part of these financial statements.

TGLT S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2016

(figures expressed in Argentine pesos - $)

	Shareholders´ contribution				Reserves		Results	Shareholders' equity allocated to:		
Concept	Share capital	Premiums of issuance (a)	Capital Contribution	Total	Foreign currency translation reserve	Legal reserve	Retained earnings (a)	Equity holders of the parent	Non-controlling interest	Total
Balances as of January 1, 2016	70,349,485	378,208,774	2,571,110	451,129,369	(21,574,400)	4,000	(257,434,075)	172,124,894	42,993,641	215,118,535
Loss for the period	-	-	-	-	-	-	(24,010,826)	(24,010,826)	(405,648)	(24,416,474)
Other comprehensive loss, net of tax	-	-	-	-	(8,756,271)	-	-	(8,756,271)	-	(8,756,271)
Total comprehensive loss for the period	-	-	-	-	(8,756,271)	-	(24,010,826)	(32,767,097)	(405,648)	(33,172,745)
Balances as of March 31, 2016	**70,349,485**	**378,208,774**	**2,571,110**	**451,129,369**	**(30,330,671)**	**4,000**	**(281,444,901)**	**139,357,797**	**42,587,993**	**181,945,790**

(a) See Note 43 Subsequent events after March 31, 2016

Notes 1 to 44 are an integral part of these financial statements.

TGLT S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2015

(figures expressed in Argentine pesos - $)

	Shareholders´ Contribution				Reserves			Results	Shareholders' equity allocated to:		
Concept	Share capital	Premiums of issuance	Contribution of capital	Total	Transactions between shareholders	Foreign currency translation reserve	Legal Reserve	Retained earnings	Equity holders of the parent	Non-controlling interest	Totals
Balances as of January 1, 2015	70,349,485	378,208,774	8,057,333	456,615,592	(5,486,223)	(750,855)	4,000	(212,357,246)	238,025,268	45,534,614	283,559,882
(Loss) / Profit for the period	-	-	-	-	-	-	-	(5,192,656)	(5,192,656)	372,499	(4,820,157)
Other comprehensive loss, net of tax	-	-	-	-	-	(606,380)	-	-	(606,380)	-	(606,380)
Total comprehensive (Loss) / Income for the period	-	-	-	-	-	(606,380)	-	(5,192,656)	(5,799,036)	372,499	(5,426,537)
Balances as of March 31, 2015	**70,349,485**	**378,208,774**	**8,057,333**	**456,615,592**	**(5,486,223)**	**(1,357,235)**	**4,000**	**(217,549,902)**	**232,226,232**	**45,907,113**	**278,133,345**

Notes 1 to 44 e are part of these financial statements.

TGLT S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW

FOR THE THREE – MONTH PERIODS ENDED MARCH 31, 2016 AND 2015

(figures expressed in Argentine pesos - $)

	31 Mar, 2016	31 Mar, 2015
Operating activities		
Loss for the period	(24,416,474)	(4,820,157)
Adjustments to obtain the cash flow provided by operating activities		
Defered income tax expense (benefit)	(6,054,741)	85,350
Depreciation of property, plant and equipment	681,803	534,375
Amortization of intangible assets	121,643	74,534
Effect of financial statements conversion	(8,996,529)	(650,460)
Changes in operating assets and liabilities		
Accounts receivables	2,744,619	(13,038,798)
Other receivables	(17,935,586)	9,181,216
Receivables from related parties	490,499	(334,808)
Inventory	(179,510,889)	(44,709,804)
Tax assets and deferred tax liabilities	(3,549,172)	(124,174)
Accounts payable	31,035,938	(11,407,099)
Accrued salaries and social security	(800,056)	161,259
Other tax burdens	8,282,928	3,216,980
Outstanding sums with related parties	404,400	468,702
Advanced payments of clients	330,118,303	82,531,280
Other payable	(2,804,277)	(3,098,149)
Tax on Minimum Presumed Income	(3,554,899)	(3,266,725)
Net cash flows provided by operating activities	**126,257,510**	**14,803,522**
Investment activities		
Investments not considered as cash	(347,728)	(55,251)
Payments for the purchase of investment property under construction	(79,266)	-
Payments for the purchase of property, plant and equipment	(1,020,262)	(285,023)
Payments for the purchase of intangible assets	(35,401)	(18,888)
Net cash flows used in investing activities	**(1,482,657)**	**(359,162)**
Financing activities		
Financial debt (Note 14)	34,517,428	(12,897,701)
Financial instruments	(2,107,071)	10,045,585
Net cash flows provided by (used by) financing activities	**32,410,357**	**(2,852,116)**
Net increase (decrease) in cash and cash equivalents	157,185,210	11,592,244
Cash and cash equivalents at the beginning of the commercial year	92,488,940	54,706,958
Cash and cash equivalents, at period end (See Note 5)	**249,674,150**	**66,299,202**

Notes 1 to 44 are an integral part of these financial statements.

Note 1. Information about the Company

1.1. Introduction

TGLT S.A. (hereinafter “the Company”, “TGLT” or “the Corporation”) is a corporation incorporated in Argentina, dedicated to the development of residential real estate. TGLT operates in the main urban centers of Argentina and Uruguay. TGLT was founded in 2005 by Federico Weil, and in 2007 entered into a strategic alliance with PDG Realty S.A. Empreendimentos e Participações (hereinafter “PDG”), one of the main real estate developers in Latin America. In April 2015, PDG sold its shares of TGLT to Bienville Argentina Opportunities Master Fund and PointArgentum Master Fund LP (See Note 20). TGLT initially focused on projects for high income segments of society, and is now gradually extending its offering of products to medium income segments and commercial offices.

TGLT is a developer in the Argentine residential market with a presence in Uruguay. It is currently developing ten projects in high in-demand urban areas in Argentina and Uruguay, each of which are in different phases of the development process, from product design and permissioning to pre-construction and construction.

In November 2010, the Company conducted an Initial Public Offering (“IPO”) of its shares in Argentina and abroad. Currently, the shares of the Company are listed on the Buenos Aires Stock Exchange and in BM&FBOVESPA of Brazil, by means of Brazilian Depositary Receipts or BDRs. The American Depositary Receipts (ADRs) Level I program, which represents the shares of the Company, are traded on the Over the Counter market, or Pink Sheets. As of March 31, 2016, the Company’s ordinary shares can be converted into BDRs or ADRs at a ratio 5:1.

1.2. Business Model

TGLT is focused on the development of residential real estate in Argentina and Uruguay. TGLT’s business model is based on its ability to identify the best plots of land and to build high-quality residential projects. With the support of a team of professionals, the standardization of processes, and the support of management, TGLT believes it has the tools that allow it to continuously launch new projects and to operate a large number of projects simultaneously.

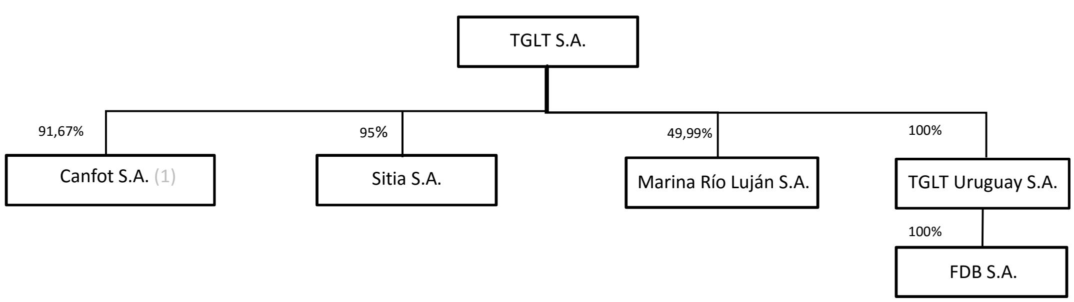
TGLT participates exclusively or substantially in each of the projects it develops, and it is committed to each project aligning with the interests of its shareholders.

The TGLT management team controls and is part of every function performed in connection with real estate development, from the search and acquisition of land, product design, marketing, sales, construction management, purchase of supplies, post-sale services and financial planning, with the advice of businesses specialized in each development stage. Although the control of these functions and related decisions are made by TGLT, the performance of some tasks, such as architecture and construction, are delegated to specialized companies, which are supervised by TGLT.

The TGLT business model assumes a quick project launch. Once the Company acquires a plot of land, it plans to launch the project or the stages of the project within three to six months.

1.3. Company structure

The structure of TGLT and its subsidiaries (hereinafter “the Group”) is shown in the following chart:



The Group carries out the development of its real estate projects by TGLT S.A. or its subsidiaries. TGLT Uruguay S.A. (previously Birzey International S.A.) is an investment company in Uruguay, which is a holding company for our projects in Uruguay. FDB S.A. is a company domiciled in Montevideo, Uruguay.

Note 1. Information about the Company (continued)

1.3. Company structure (continued)

According to assessments made by management, in light of IFRS 10 and 11, the participation of Marina Río Luján S.A. does not meet the definition of joint agreement, as the joint governance agreement with Marcelo Gómez Prieto regarding Marina Río Luján S.A.'s relevant activities represents a protective agreement rather than a substantive one. Following IFRS 10 and 11, the Company has excluded the consideration of the aforementioned agreement in testing the control of Marina Río Luján S.A., but instead has based its analysis on: (a) the power implied in the ownership of its stake in Marina Río Luján SA (which confers substantive rights); (b) the Company's exposure to variable returns from its involvement in Marina Rio Luján S.A.'s activities; and (c) the ability to use the power that gives the Company the capacity to direct the relevant activities of Marina Río Luján S.A. to affect the Company's performance. Based on this analysis, the Company presents Marina Río Luján S.A. as a subsidiary, consolidating it following the procedures described in IFRS 10.

Note 2. Statement of compliance with IFRS

The consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Note 3. Criteria for Presenting the Consolidated Financial Statements

3.1. Criteria for the presentation

The Consolidated Balance Sheets as of March 31, 2016 and December 31, 2015, and related Consolidated Statements of loss and Other Comprehensive loss, Changes in Equity, and Cash Flow as of and for the periods ended March 31, 2016 and 2015 have been presented pursuant to the provisions of IFRS as issued by the IASB.

These consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB and in accordance with Technical Resolution (RT) 26, amended by RT 29, of the Argentine Federation of Professional Accounting Councils (FACPCE), as adopted by the City of Buenos Aires Accounting Council (CPCECABA), and as required by the Comisión Nacional de Valores (CNV) Argentine Securities Exchange Commission, in Argentina for most of public companies.

IAS 29 establishes the conditions under which an entity shall restate its financial statements if it is located in an economic environment considered "hyperinflationary". In compliance with the provisions of IAS 29, the management of the Company periodically verifies the evolution of official statistics as well as the general factors of the economic environment in the countries in which the Company operates. It should be mentioned that if the qualitative and / or quantitative characteristics to consider an economy as a hyperinflationary economy set out in paragraph 3 of IAS 29 occur, the restatement of financial statements must be made retroactively from the date of the revaluation used as deemed cost (in the case of companies located in Argentina, since February 2003) or from the acquisition date for assets acquired after that date.

As inflation in Argentina has risen in the past years, management has further assessed the characteristics set out in paragraph 3 of IAS 29, including (i) the quantitative characteristics provided in section (e) "the cumulative inflation rate over three years is approaching, or exceeds, 100%", as well as (ii) the qualitative characteristics contained in paragraphs a) to d) of that paragraph.

On the basis of the analysis made by management and other evidence available at the date of issuance of these consolidated financial statements, management concluded that Argentina does not qualify as a "hyperinflationary" country in terms of IAS 29.

Management of the Company believes that the periodic assessment of the macroeconomic environment in Argentina and the possible restatement of financial statements in accordance to IAS 29, represent an element of care and concern for investors, analysts and regulators of capital markets where Argentine companies list their equity and debt securities, because of the significant impact that such restatement might have on their financial position and results of operations, including TGLT.

Management of the Company will continue monitoring the evolution of inflation in Argentina in order to comply with the requirements of IAS 29.

These consolidated financial statements correspond to the three month period that began on January 1, 2016 and ended on March 31, 2016. According to IFRS and as required by the U.S. Securities and Exchange Commission, the Company presents consolidated accounting information in comparison with the fiscal year ended December 31, 2015, and presents the Consolidated Statement of Income and Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement in comparison with the same period of the previous year.

Note 4. Summary of the Main Accounting Policies Applied

4.1. Applicable accounting standards

These consolidated financial statements have been prepared using specific measurements required by IFRS for each type of asset, liability, revenue, and expenses. The consolidated reports attached are presented in pesos ($), the legal tender of Argentina, prepared on the basis of TGLT S.A.'s accounting entries and its controlled subsidiaries. Preparation of this financial report, for which the Company's Board of Directors is responsible, requires the Board to perform certain accounting estimates and use its judgement when applying certain accounting standards.

4.2. Consolidation Criteria

TGLT's consolidated financial statements include financial information from the Company and its controlled subsidiaries.

The financial statements of the controlled subsidiaries used to prepare the consolidated financial statements were prepared according to other Argentine accounting standards. Based on the foregoing paragraph, and for the purposes of applying accounting regulations standardized with TGLT S.A., the standards used by the exclusive or joint controlled subsidiaries and those resulting from the application of Technical Resolution No. 26 (application of the IFRS) were reconciled for the following items: a) total shareholder's equity and b) net Profit / (Loss) for the year (according to the standard applied) and net Profit / (Loss) for the year (according to IFRS), and that amount to the total comprehensive Profit / (Loss) for the year.

In the case of TGLT Uruguay S.A. and its subsidiary FDB S.A., the assets and liabilities were converted to Argentine pesos at the exchange rates in effect as of the date of those financial statements. The income accounts were converted to Argentine pesos at the exchange rates in effect as of the date of those transactions.

In all cases, the credit and debt and transactions among entities of the consolidated group were eliminated during consolidation. The income resulting from transactions among members of the consolidated group that were not distributed to third parties and included in the final asset balances were eliminated completely. The controlled companies whose financial statements have been included in these consolidated financial statements are the following:

Company	Type of Control	March 31, 2016	Dec 31, 2015
Canfot S.A.	Unique	91.67%	91.67%
Marina Río Luján S.A.	Unique	49.99%	49.99%
TGLT Uruguay S.A.	Unique	100.00%	100.00%
SITIA S.A.	Unique	95.00%	95.00%

Non-controlling interest, presented as part of the shareholder's equity, represent the part of profits or losses and net assets of a subsidiary, which are not owned by TGLT. Management ascribes total other comprehensive income or loss of the subsidiaries to the owners of the controlling company and the non-controlling interest based on their respective shares.

Note 5. Cash and cash equivalents

	Notes	Mar 31, 2016	Dec 31, 2015
Cash in local currency		65,912	40,912
Cash in foreign currency	38	17,961	55,805
Banks in local currency		6,419,042	4,206,604
Banks in foreign currency	38	140,307,716	14,805,903
Funds to be deposited		651,995	252,026
Time deposits in foreign currency	31.8 and 38	31,663,400	2,584,383
Mutual funds in local currency		10,011,291	6,119,666
Mutual funds in foreign currency	38	3,649,993	6,051,016
Commercial papers in foreign currency	38	59,818,951	60,957,008
Total Cash and cash equivalents		**252,606,261**	**95,073,323**

In the statement of cash flow, cash and cash equivalents comprise the following:

	Mar 31, 2016	Mar 31, 2015
Total cash and cash equivalents	252,606,261	68,016,963
Certificate of deposits in foreign currency expiring over 90 days	(2,932,111)	(1,717,761)
Total Cash and Cash equivalents	**249,674,150**	**66,299,202**

Note 6. Accounts receivables

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2016 PRESENTED COMPARATIVELY

(figures expressed in Argentine pesos - $)

	Notes	Mar 31, 2016	Dec 31, 2015
Accounts receivables from sales of units in local currency		5,013,955	7,951,718
Accounts receivables from sales of units in foreign currency	38	22,974,532	22,813,020
Accounts receivables from sales of services in local currency		373,964	349,414
Accounts receivables from sales of services in foreign currency	38	12,038	4,956
Total Accounts receivables		**28,374,489**	**31,119,108**

The maturity of accounts receivable is as follows:

	Mar 31, 2016	Dec 31, 2015
Due within		
0 to 90 days	6,785,828	3,907,451
91 to 180 days	-	2,207,508
Past-due		
0 to 90 days	21,588,661	25,004,149
Total	**28,374,489**	**31,119,108**

Note 7. Other receivables

Current	Notes	Mar 31, 2016	Dec 31, 2015
Value added tax		56,252,224	73,586,655
Value added tax in foreign currency	38	62,207,636	47,722,207
Gross income tax		3,905,684	3,765,016
Net worth tax in foreign currency	38	38,397	3,766,294
Advance payments to work suppliers in local currency		69,030,994	79,457,883
Advance payments to work suppliers in foreign currency	38	43,444,110	19,028,705
Security Deposits in local currency		78,000	78,000
Security Deposits in foreign currency	38	797,640	707,004
Insurance policies to be accrued in local currency		40,875	40,563
Insurance policies to be accrued in foreign currency	38	1,263,301	1,670,925
Loan granted (1)		1,062,407	1,072,616
Prepayments - in local currency		1,115,993	626,953
Prepayments - in foreign currency	38	85,805	48,141
Refund		5,114,283	5,215,463
Refund from maintenance fees		14,830,309	8,409,063
Other checks – receivable		58,982	18,200
Collectable fund for equipment acquisition in local currency		264,593	194,032
Collectable fund for equipment acquisition in foreign currency	38	2,635,845	3,332,822
Collectable operating fund		544,533	563,215
Advance payments for the purchase of real estate properties		127,200	263,032
Advance payments for the purchase of real estate properties in foreign currency (2)	38	21,899,999	19,410,000
Sundry receivables in local currency		3,481,042	1,180,862
Sundry receivables in foreign currency	38	19,983	17,718
Minus:			
Bad-debt allowance on other receivables		(4,650,167)	(4,650,167)
Sub Total other receivables – Current		**283,649,668**	**265,525,202**
Non-current			
Security deposits in local currency		12,300	12,300
Security deposits in foreign currency	38	52,154	49,011
Loan granted (1)		576,071	768,094
Sub Total other receivables – Non-current		**640,525**	**829,405**
Total other receivables		**284,290,193**	**266,354,607**

(1) Loan granted by Canfot S.A. to Edenor:

On July 29, 2013 Edenor S.A. requested and Canfot SA granted a loan for an amount of $ 3,072,378 for financing works on the Forum Alcorta Project. These sums will accrue a compensatory interest to be calculated at the passive rate for 30 day certificates of deposit of the Argentinean National Bank, as of the last day of the month prior to the issuance of each payment. As of the date of issuance of these financial statements, Edenor S.A. has repaid twenty-seven out of the forty-eight monthly installments agreed.

Note 7. Other receivables (continued)

(figures expressed in Argentine pesos - $)

TGLT

(2) Advance payments for the purchase of real estate properties in foreign currency

On November 30, 2015, the Company booked the purchase a building located in the San Telmo district, south of Buenos Aires City. As a form of acceptance of the reservation, TGLT paid the equivalent of US$1.2 million or $17.4 million, and agreed to pay the balance of $300,000 on December 1, 2016. At the date of issuance of these financial statements, TGLT is in the process of finalizing the formal instruments of acquisition and deeds.

Note 8. Inventory

	Notes	Mar 31, 2016	Dic 31, 2015
Forum Alcorta – Finished units	31.1	294,693,972	411,620,358
Astor Caballito	31.2	115,893,618	115,429,796
Astor Palermo – Finished units	31.3	290,817,288	292,689,918
Forum Puerto del Buceo		1,253,546,626	1,071,181,369
Astor Núñez	31.4	399,738,913	354,453,825
Venice		445,321,731	402,381,085
Metra Puerto Norte	31.5	223,844,125	209,204,205
Proa	31.5	187,865,967	174,921,419
Metra Devoto	31.6	68,329,398	67,656,250
Other projects		3,010,030	1,906,673
Forum Puerto Norte – Finished units		14,419,492	16,525,373
Forum Puerto Norte – Impairment of finished units		(1,386,579)	(1,386,579)
Total Inventory (1)		**3,296,094,581**	**3,116,583,692**

(1) The finance costs capitalized during the period ended March 31, 2016 and during the year ended December 31, 2015, according IAS 23, represented $ 21,509,959 and $ 60,680,010, respectively. The capitalization rate used for the generics borrowing was 8,6% and 29.4%, respectively. These amounts are not necessarily in inventory at closing due to cost recognition at each individual sale.

Note 9. Property, plant and equipment

	Furniture and Fixtures	Hardware	Improvements in owned property	Leasehold Improvements in third party properties	Installations	Showrooms	Real Estate Property	Total
Original value								
Balance as of January 1, 2016	1,251,489	1,979,400	353,478	1,919,274	6,174	16,427,233	2,732,142	24,669,190
Acquisitions	5,520	27,547	-	-	-	987,195	-	1,020,262
Conversion adjustment	26,261	39,302	-	108,410	-	339,015	-	512,988
Decreases	-	-	-	-	-	-	-	-
Total	1,283,270	2,046,249	353,478	2,027,684	6,174	17,753,443	2,732,142	26,202,440
Depreciation and impairment								
Balance as of January 1, 2016	(594,382)	(1,358,521)	(206,261)	(1,521,156)	(6,174)	(11,036,425)	(96,916)	(14,819,835)
Depreciations	(39,009)	(73,331)	(29,456)	(81,708)	-	(445,083)	(13,216)	(681,803)
Conversion adjustment	(17,027)	(20,732)	-	(85,830)	-	(187,098)	-	(310,687)
Decreases	-	-	-	-	-	-	-	-
Total	(650,418)	(1,452,584)	(235,717)	(1,688,694)	(6,174)	(11,668,606)	(110,132)	(15,812,325)
Net carrying as of Mar 31,2016	**632,852**	**593,665**	**117,761**	**338,990**	**-**	**6,084,837**	**2,622,010**	**10,390,115**

Note 9. Property, plant and equipment (continued)

(figures expressed in Argentine pesos - $)

	Furniture and Fixtures	Hardware	Improvements in owned property	Leasehold Improvements in third party properties	Installations	Showrooms	Real Estate Property	Total
Original value								
Balance as of January 1, 2015	1,011,273	1,495,496	334,998	1,408,830	6,174	14,950,551	2,732,142	21,939,464
Acquisitions	171,477	377,619	18,480	217,280	-	1,923,968	-	2,708,824
Conversion adjustment	68,739	106,285	-	293,164	-	915,480	-	1,383,668
Transferences	-	-	-	-	-	(1,362,766)	-	(1,362,766)
Decreases	-	-	-	-	-	-	-	-
Total	1,251,489	1,979,400	353,478	1,919,274	6,174	16,427,233	2,732,142	24,669,190
Depreciation and impairment								
Balance as of January 1, 2015	(420,544)	(1,112,101)	(93,055)	(1,090,178)	(4,944)	(9,746,496)	(44,053)	(12,511,371)
Depreciations	(130,436)	(194,431)	(113,206)	(212,918)	(1,230)	(2,190,556)	(52,863)	(2,895,640)
Conversion adjustment	(43,402)	(51,989)	-	(218,060)	-	(462,139)	-	(775,590)
Decreases	-	-	-	-	-	1,362,766	-	1,362,766
Total	(594,382)	(1,358,521)	(206,261)	(1,521,156)	(6,174)	(11,036,425)	(96,916)	(14,819,835)
Net carrying as of Dec 31,2015	**657,107**	**620,879**	**147,217**	**398,118**	**-**	**5,390,808**	**2,635,226**	**9,849,355**

Note 10. Intangible assets

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2016	715,029	2,555,894	31,828	3,302,751
Acquisitions	-	35,401	-	35,401
Conversion adjustment	55,552	-	2,142	57,694
Total	770,581	2,591,295	33,970	3,395,846
Depreciation and impairment				
Balance as of January 1, 2016	(363,987)	(1,674,931)	(18,324)	(2,057,242)
Depreciations	(28,053)	(92,306)	(1,284)	(121,643)
Conversion adjustment	(18,431)	-	(1,306)	(19,737)
Total	(410,471)	(1,767,237)	(20,914)	(2,198,622)
Net carrying as of March 31,2016	**360,110**	**824,058**	**13,056**	**1,197,224**

	Software	Software development	Trademarks	**Total**
Original value				
Balance as of January 1, 2015	464,926	2,091,558	26,037	2,582,521
Acquisitions	127,953	464,336	-	592,289
Conversion adjustment	122,150	-	5,791	127,941
Total	715,029	2,555,894	31,828	3,302,751
Depreciation and impairment				
Balance as of January 1, 2015	(279,869)	(1,334,570)	(11,246)	(1,625,685)
Depreciations	(39,163)	(340,361)	(3,789)	(383,313)
Conversion adjustment	(44,955)	-	(3,289)	(48,244)
Total	(363,987)	(1,674,931)	(18,324)	(2,057,242)
Net carrying as of Dec 31,2015	**351,042**	**880,963**	**13,504**	**1,245,509**

(figures expressed in Argentine pesos - $)

Note 11. Tax assets

	Notes	Mar 31, 2016	Dec 31, 2015
Tax on minimum presumed income		79,708,623	75,419,545
Tax loss – local source		288,194,515	256,461,077
Foreign net investment loss		13,615,769	12,613,511
Tax loss – foreign source	38	13,375	-
Total Tax assets (*)		**381,532,282**	**344,494,133**

(*) See "Deferred Tax Liabilities" Note 28.

Local and foreign source tax losses may be used until the following expiration dates:

Pesos	
Year	**Mar 31, 2016**
2016	2,867,308
2017	16,202,326
2018	60,491,520
2019	95,254,184
2020	89,641,883
2021	37,353,063
Total	**301,810,284**

Note 12. Goodwill

	Marina Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2016	21,487,412	10,558,985	79,399,207	111,445,604
Total	21,487,412	10,558,985	79,399,207	111,445,604
Impairment				
Balance as of January 1, 2016	-	-	-	-
Loss due to impairment	-	-	-	-
Total	-	-	-	-
Net carrying as of Mar 31, 2016	**21,487,412**	**10,558,985**	**79,399,207**	**111,445,604**

	Marina Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2015	21,487,412	10,558,985	79,399,207	111,445,604
Total	21,487,412	10,558,985	79,399,207	111,445,604
Impairment				
Balance as of January 1, 2015	-	-	-	-
Loss due to impairment	-	-	-	-
Total	-	-	-	-
Net carrying as of Dec 31, 2015	**21,487,412**	**10,558,985**	**79,399,207**	**111,445,604**

(figures expressed in Argentine pesos - $)

Note 13. Accounts payable

Current	Notes	Mar 31, 2016	Dec 31, 2015
Suppliers in local currency		23,449,329	34,124,309
Suppliers in foreign currency	38	38,969,663	36,831,093
Deferred checks in local currency		34,422,457	47,362,918
Deferred checks in foreign currency	38	24,514,607	9,565,836
Provision for expenditure in local currency		1,924,122	2,403,159
Provision for expenditure in foreign currency	38	1,142,193	1,004,075
Provision for works in local currency		21,937,008	27,357,591
Provision for works in foreign currency	38	26,561,579	7,071,015
Insurance policies payable in national currency		63,163	43,744
Insurance policies payable in foreign currency	38	1,608,157	1,703,863
Performance bond		9,987	9,987
Contingency fund in local currency		14,249,873	12,982,598
Contingency fund in foreign currency	38	10,558,702	7,297,972
Building permit in foreign currency	38	14,411,070	21,978,955
Creditors per purchase of real estate property in foreign currency	38	232,183,419	205,964,067
Subtotal current Accounts payable		**446,005,329**	**415,701,182**
Non-current			
Building permit in foreign currency	38	9,512,351	8,780,560
Total Accounts payable – Non-current		**9,512,351**	**8,780,560**
Total Accounts payable		**455,517,680**	**424,481,742**

Note 14. Financial debt

Current	Notes	Mar 31, 2016	Dec 31, 2015
Short-term financial debt taken in foreign currency	14.1 and 38	176,219,914	109,865,697
Mortgage-backed bank Short-term financial debt in local currency	14.1	68,424,799	100,314,642
Mortgage-backed bank Short-term financial debt in foreign currency	14.1 and 38	-	25,729,155
Bank overdrafts in local currency	14.3	-	23,349,114
Bank overdrafts in foreign currency	14.3 and 38	72,708	-
Corporate notes in local currency	14.2	66,970,925	105,467,898
Corporate notes in foreign currency	14.2 and 38	20,538,501	27,311,236
Subtotal current Short-term financial debt		**332,226,847**	**392,037,742**
Non-current			
Corporate notes in local currency	14.2	153,046,003	58,717,680
Subtotal non-current Long-term financial debt		**153,046,003**	**58,717,680**
Total Financial debt		**485,272,850**	**450,755,422**

The following is a breakdown of activity in financial debt:

AS OF THE PERIOD/YEAR	3 MONTHS	12 MONTHS
	Mar 31, 2016	**Dec 31, 2015**
Opening balance	450,755,422	384,296,792
New financial debt and financing arrangements	159,350,613	264,092,973
Accrued interests	26,595,711	174,454,104
Effects of exchange rate variation	10,583,955	35,125,631
(Decrease) Increase bank overdrafts	(23,276,406)	2,550,657
Payment of principal	(125,706,107)	(155,871,042)
Payment of interests	(24,434,185)	(172,015,075)
Corporate Notes swap net of issuance costs	(394,034)	(82,055,271)
Effect of the conversion of financial statements	11,797,881	176,653
Closing balance	**485,272,850**	**450,755,422**

(figures expressed in Argentine pesos - $)

Note 14. Financial debt (continued)

1. Financial debt taken

The following is the description of the Company and its subsidiaries' main borrowings with banks or third parties:

					Amount payable			
					Mar 31, 2016		Dec 31, 2015	
Bank	Principal available	Maturity	Disbursements received	Partial cancellation	Current	Non-current	Current	Non-current
Hipotecario (a)	30,000,000	28/02/2016	26,124,600	(26,124,600)	-	-	26,909,465	-
Hipotecario (a)	30,000,000	22/05/2016	30,000,000	(10,769,200)	19,230,800	-	30,901,295	-
Ciudad de Buenos Aires (b)	71,000,000	23/05/2016	42,303,447	-	49,193,999	-	42,503,882	-
Total in local currency					**68,424,799**	**-**	**100,314,642**	**-**
Hipotecario (a)	12,000,000	22/05/2016	25,729,155	(9.906.007)	-	-	25,729,155	-
Total in foreign currency				38	**-**	**-**	**25,729,155**	**-**

a) On August 14, 2015, Banco Hipotecario accepted an offer to cancel the loan held by Canfot SA, with its corresponding refinance, by which the payment of the capital owed of US$ 7,492,997 was to be paid in five monthly consecutive installments, of which the first maturity date was August 30, 2015. As of the date of issuance of these financial statements, the loan was fully cancelled.

For the financial debt in pesos, installments for $ 36,893,800 have been paid during the first quarter. The owed capital as of March 31, 2016 and December 31, 2015 was $ 19,230,800 and $ 56,124,600, respectively.

Since March 31, 2016 to the date of issuance of these financial statements, the Company has paid interest of $ 2,254,081.

b) On May 23, 2013, TGLT entered into a loan agreement with Banco de la Ciudad de Buenos Aires for the amount of $ 71,000,000. All sums disbursed by the bank shall accrue, upon cancellation, interest payable in monthly installments at the rate of 23% per annum, which is equivalent to an effective rate of 25.59% per annum.

Since March 31, 2016 to the date of issuance these financial statements, the Company has received additional disbursements of $ 1,828,236 and paid capital and interest of $ 2,199,884. As for the payment of principal owing, the Board is in negotiations with the bank.

						Amount payable			
						Mar 31, 2016		Dec 31, 2015	
Entity	Principal available	Maturity date	Disbursements received	Partial cancellation	Year Rate	Current	Non-current	Current	Non-current
BBVA (a)	2,000,000	02/05/2016	2,000,000	-	6,50%	29,300,000	-	25,997,177	-
BBVA (a)	3,000,000	02/05/2016	3,000,000	-	6,50%	43,950,000	-	-	-
Santander (b)	250,000	09/09/2016	250,000	(125,000)	4,50%	1,813,693	-	2,480,565	-
Santander (b)	500,000	08/12/2016	500,000	(111,345)	4,50%	5,666,048	-	6,763,965	-
Itaú (b)	387,000	06/05/2016	387,000	-	5,00%	6,066,055	-	5,076,784	-
BBVA (b)	3,990,000	07/12/2016	3,990,000	-	1,27%	58,654,852	-	51,864,368	-
Individual (c)	2,000,000	12/12/2016	1,961,125	-	15,00%	30,769,266	-	17,682,838	-
Total in foreign currency			**12,088,125**	**(236,345)**		**176,219,914**	**-**	**109,865,697**	**-**

(a) On December 18, 2015, FDB SA entered into a credit facility of up to USD 16,000,000 with Banco Bilbao Viscaya Argentaria Uruguay S.A. (BBVA) and Banco ITAU Uruguay S.A. (ITAU) related to Stages I and III of Forum Puerto del Buceo, under the following conditions:

-Bank participation: BBVA and ITAU in equal portions (USD 8,000,000 each).
-Bank commission fees: equivalent to 1% of the loan maximum amount.
-Requested Term: up to September 30, 2016 for the disbursements request.
-Interest rate: interest shall accrue at a variable rate equivalent to LIBOR of 90 days plus 3 points, per annum, plus taxes thereon, with a minimum rate of 5% per annum.
-Disbursements: proportional to building construction progress.
-Amortization of principal and interests: by partial payments as per delivery of units to future purchases, for the amount necessary for cancellation (or novation) of the mortgage of a unit sold.
-Collateral: Before any disbursement, FDB S.A. shall grant a first-degree mortgage in favor of the BBVA and ITAU of up to USD 16,000,000 over the total of units comprising Stages I and III of Forum Puerto del Buceo project.

Note 14. Financial debt (continued)

-Credit assignment: Credit assignment shall be granted as collateral for the participation of BBVA and ITAU in the credit agreement, for the prices pending payment of purchasing commitments in all mortgaged units.

As of the date of issuance of these financial statements, proceedings to enable granting of mortgages are in process, and as a result a bridge loan agreement was entered into between BBVA and TGLT SA on December 18, 2015, under the following conditions:

-Credit to FDB S.A. for a maximum of US$ 9,000,000.
-Bank commission fees: US$ 30,000 (advanced for the building loan).
-Requested Term: until February 29, 2016 for the disbursements request.
-Interest rate: the interest rate shall be 6.5% per annum.
-Collateral: a) Pledge: FDB and/or a third party accepted by BBVA must grant, before any disbursement, a first-degree pledge in favor of BBVA, for a minimum amount equivalent to two thirds of the amount of the disbursement, b) Credit assignment: FDB must grant a credit assignment as collateral for the benefit of BBVA, of the purchase commitment prices of units of Stages I and III of Forum Puerto del Buceo project.
-Joint and Several Guarantee: TGLT SA (TGLT Uruguay S.A. controlling company) must grant a joint and several guarantee in favor of BBVA for up to US$ 3,000,000.
-Repayment: against the first disbursement of the credit facility for building described in the first paragraph of this footnote.
On December 18, a credit assignment as collateral agreement was entered between BBVA and FDB, as collateral for the fulfillment of all of the obligations arising from the bridge loan, related to units from Stages I and III of Forum Puerto del Buceo project.

On December 15, 2015, the Board of Directors approved a guarantee for the amount of US$ 3,000,000 in favor of BBVA as collateral for financial debt granted to FDB SA.

As of March 31, 2016, disbursements were received from BBVA for a total of US$ 3,000,000. Since March 31, 2016 to the date of issuance these financial statements, the maturity of this loan was extended to November 3, 2016.

(b) Loans acquired by FDB S.A.

(c) This loan is required by Marina Rio Lujan S.A. to its shareholder Marcelo Gomez Prieto.

2. Corporate Notes

On December 20, 2011, the creation of a global program for the issuance of negotiable corporate notes, non-convertible to shares, with short, middle and/or long term maturities, subordinated or unsubordinated, secured or unsecured, as per Law 23576 and amendments (the “CNs”) for a maximum amount of up to US 50,000,000 or its equivalent in other currencies was approved at the Annual Shareholders’ Meeting.

Different classes or series denominated in United States Dollars or other currencies may be issued and the successive classes and/or series that are amortized may be reissued (the “Program”). The Program will expire on July 12, 2017. Within this term, all the issuances and re-issuances under this Program must be carried out.

This is a summary of the main characteristics of each of the Company issuances as from the Program approval up to March 31, 2016.

Class	IV	VI	VII	IX	X
Issuance date	3/07/2013	27/05/2014	12/05/2015	12/05/2015	23/02/2016
Amount issued	US$ 7,380,128	$ 15,842,677	$ 52,904,443	$ 57,229,975	$ 96,828,323
Amount payable	US$ 1,364,818	$ 7,500,000	$ 52,904,443	$ 57,229,975	$ 96,828,323
Currency	Pesos, to the current exchange rate(“dollar-linked”)	Pesos	Pesos	Pesos	Pesos
Interest rate	3.90%	BADLAR Private + 549 bps	Fixed rate 29%	The higher rate between: a) a factor of 0,90 multiplied by CAC index variation; and b) BADLAR Private + 600 bps	BADLAR Private + 550 bps
Maturity	04/07/2016	29/11/2016	06/05/2016	14/05/2018	23/08/2017
Amortization	4 equal consecutive installments, as from 5/10/2016, in the months 27, 30, 33 and 36	4 equal consecutive installments, as from 29/02/2016, in the months 21, 24, 27 and 30	1 installment at maturity date 06/05/2016	4 equal consecutive installments, as from 14/08/2017, in the months 27, 30, 33 and 36	2 equal consecutive installments, as from 23/05/2017, in the months 15 and 18

(figures expressed in Argentine pesos - $)

Note 14. Financial debt (continued)

Class	IV	VI	VII	IX	X
Payment of interests			Coupon every 3 months		
Payment of principal			Simultaneous		
Rating			BBB as per FIX SCR S.A. Agente de Calificación de Riesgo		

On May 12, 2015 and on February 23, 2016, as a consequence of the last issuance of corporate notes Classes VII, IX and X, holders of other classes have decided to exchange corporate notes among the different series. Following is a summary of the main characteristics of such exchange:

		New issuance		
Issuance exchanged	Exchanged amount	Class VII	Class IX	Class X
Class III	$ 3,000,000	$ -	$ 3,000,000	-
Class IV	US$ 4,609,642	US$ 1,279,642	US$ 3,330,000	-
Class V	$ 23,041,880	$ 17,691,880	$ 5,350,000	-
Class VI	$ 15,842,677	$ 9,668,535	$ 6,174,142	-
Class VII	$ 24,391,758	-	-	$ 24,391,758

Below we present the amounts payable for each of our corporate notes, classified as current and non-current, in local and foreign currency, as of December 31, 2015 and 2014:

	Amount payable			
	Mar 31, 2016		**Dec 31, 2015**	
Class	**Current**	**Non-current**	**Current**	**Non-current**
III	-	-	15,146,401	-
VI	7,672,718	-	7,730,292	2,500,000
VII	55,165,191	-	80,414,888	-
IX	2,236,611	56,217,680	2,176,317	56,217,680
X	1,896,405	96,828,323	-	-
Corporate notes in local currency	66,970,925	153,046,003	105,467,898	58,717,680
IV	20,538,501	-	27,311,236	-
Corporate notes in foreign currency	20,538,501	-	27,311,236	-

On April 4, 2016 and May 6, 2016, TGLT SA cancelled principal and interest corresponding to Class IV in dollars for the amounts of $ 10,388,711. Likewise and to Class VII for the amount of $ 57,239,212, respectively.

3. Bank overdraft agreements

TGLT SA has subscribed the following agreements to operate overdraft with the following Banks: a) HSBC Bank Argentina SA for an amount of $ 8 million, b) Banco Industrial de Azul for $ 1.5 million, c) Banco Galicia for 2 million, d) Banco Supervielle for $ 5 million, e) Banco Santander for $ 15 million and f) Banco Patagonia for $ 5 million. As of March 31, 2016 and with the exception of the agreement with except for the one belonging to FDB S.A. these agreements have not been used.

Note 15. Salaries and social security

	Notes	**Mar 31, 2016**	Dec 31, 2015
Wages payable in the local currency		10,292,805	10,679,726
Wages payable in foreign currency	38	1,067,912	1,003,335
Social security contributions payable in local currency		3,871,512	4,251,728
Social security contributions payable in foreign currency	38	88,222	112,338
Provision for Annual Complementary Salary and holidays in local currency		2,313,799	2,804,205
Provision for Annual Complementary Salary and holidays in foreign currency	38	597,882	374,035
Provision for Board of Directors' fees		765,635	563,955
Staff advances		(8,501)	-
Total Salaries and social security		**18,989,266**	**19,789,322**

(figures expressed in Argentine pesos - $)

Note 16. Tax liabilities

Current		Mar 31, 2016	Dec 31, 2015
Tax on minimum presumed income		2,105,739	7,368,579
Net Income Tax in foreign currency	38	679,335	43,815
Total Current tax liabilities		**2,785,074**	**7,412,394**
Non-current			
Tax on minimum presumed income		4,035,324	-
Income Tax payable		6,266	-
Total Non-current tax liabilities		**4,041,590**	-
Total Tax liabilities		**6,826,664**	**7,412,394**

Note 17. Other tax burden

Current	Notes	Mar 31, 2016	Dec 31, 2015
Gross Income Tax		9,121,219	7,049,302
Value added tax		4,722	-
Provincial Tax Payable		2,495,587	548,796
Municipal Tax Payable		2,801,450	1,678,605
Provincial Tax Payment Plan		1,683,643	1,515,975
Municipal Tax Payment Plan		541,654	1,688,324
Net worth tax		851,982	851,982
Stamp Tax		22,118,899	23,299,530
Net worth tax in foreign currency	38	6,359,799	-
Withholdings and earnings to be deposited in local currency		1,605,303	1,626,562
Withholdings and earnings to be deposited in foreign currency	38	58,307	721,192
Subtotal Other tax burden - Current		**47,642,565**	**38,980,268**
Non-current			
Provincial Tax Payment Plan		2,740,675	3,120,044
Subtotal Other tax burden – Non-current		**2,740,675**	**3,120,044**
Total Other tax burden		**50,383,240**	**42,100,312**

Note 18. Advanced payments of clients

	Notes	Mar 31, 2016	Dec 31, 2015
Advanced collections		2,570,426,723	2,231,169,534
Advanced collections per stock sales		21,545,265	19,385,264
Funds received for the purchase of equipment		42,497,426	40,844,480
Operating fund		5,383,449	4,836,602
Value added tax		(109,893,274)	(96,394,594)
Total Advanced Payments of clients		**2,529,959,589**	**2,199,841,286**

Note 19. Other accounts payables

Current	Notes	Mar 31, 2016	Dec 31, 2015
Sundry creditors in foreign currency	31.8 and 38	2,932,111	2,584,383
Debt for purchase of shares in foreign currency	33 and 38	17,640,008	9,128,007
Provision for other claims	32.7	687,250	687,250
Other liabilities		28,514	28,520
Total Other accounts payables – Current		**21,287,883**	**12,428,160**
Non-current			
Debt per the purchase of shares in foreign currency	33 and 38	35,280,000	46,944,000
Total Other accounts payable – Non current		**35,280,000**	**46,944,000**
Total Other accounts payable		**56,567,883**	**59,372,160**

(figures expressed in Argentine pesos - $)

Note 20. Share Capital

The Company's capital is distributed as follows:

	Mar 31, 2016		Dec 31, 2015	
Shareholders	Shares	%	Shares	%
Federico Nicolás Weil	13,804,445	19,6 %	13,804,445	19,6 %
Bienville Argentina Opportunities Master Fund LP	9,560,830	13,6 %	9,560,830	13,6 %
PointArgentum Master Fund LP	9,560,830	13,6 %	9,560,830	13,6 %
IRSA Propiedades Comerciales S.A.	6,671,712	9,5 %	6,671,712	9,5 %
Serengeti Asset Management	5,008,883	7,1 %	5,008,883	7,1 %
Other holders of US certificates of deposit representing ordinary shares (ADRs)	17,467,857	24,8 %	17,467,857	24,8 %
Holders of Brazilian certificates of deposit representing ordinary shares (BDRs)	335,240	0,5 %	335,240	0,5 %
Other holders of ordinary shares	7,939,688	11,3 %	7,939,688	11,3 %
Total Capital social	70,349,485	100 %	70,349,485	100 %

Note 21. Reserves, retained earnings and dividends

Dividends policy

To protect the interests of TGLT's financial creditors, TGLT shall not make or agree to make any kind of dividend payment, whether directly or indirectly, before any scheduled payment of principal, amortization, or other amounts due on the corporate notes or any of its debt subordinated to its corporate notes have been paid.

Note 22. Revenue from ordinary activities

	Mar 31, 2016	Mar 31, 2015
Revenue from delivery of Inventory	174,486,144	141,151,202
Revenue from services rendered	9,016,010	2,460,988
Total Revenue for ordinary activity	**183,502,154**	**143,612,190**

Note 23. Cost of ordinary activities

	Mar 31, 2016	Mar 31, 2015
Inventory at start of year	719,449,070	219,909,322
Plus:		
Cost triggered during the period	25,816,413	48,053,277
Costs of services rendered	1,917,959	503,895
Minus:		
Inventory at end of period	(598,544,173)	(160,585,268)
Total cost of ordinary activity	**148,639,269**	**107,881,226**

Note 24. Sales expenses

	Mar 31, 2016	Mar 31, 2015
Wages and social security contributions	1,193,192	1,666,066
Other payroll expenses	135,343	80,647
Rent and maintenance fees	274,091	131,136
Professional fees	350,823	301,704
Taxes, duties and assessments	5,268,925	4,005,697
Transport and per diem	97,879	41,567
IT and service expenses	259,070	81,954
Impairment of fixed assets	619,514	383,248
Office expenses	157,057	70,599
Insurance	90,220	27,796
Advertising expenses	2,765,117	2,446,570
Costs per sales	5,645,018	1,143,269
Consortium expenses	1,031,563	5,978
Post sales costs	63,011	-
Overhead	-	28,668
Total sales expenses	**17,950,823**	**10,414,899**

(figures expressed in Argentine pesos - $)

Note 25. Administrative expenses

	Mar 31, 2016	Mar 31, 2015
Wages and social security contributions	10,927,911	8,998,331
Other payroll expenses	453,485	343,882
Rent and utility bills	1,016,361	597,488
Professional fees	2,510,017	1,920,601
Directors' fees	741,780	161,130
Statutory auditing committee fees	352,991	124,508
Other expenses	247,007	92,247
Taxes, duties and assessments	11,027,751	6,001,966
Transport and per diem	167,914	90,008
IT and services expenses	893,493	356,256
Impairment of fixed assets	62,289	151,127
Office expenses	745,011	377,276
Insurance	456,458	264,252
Donations	-	12,000
Total administrative expenses	**29,602,468**	**19,491,072**

Note 26. Financial results

	Profit/ (Loss)	
	Mar 31, 2016	Mar 31, 2015
Exchange difference		
Income from exchange differences	33,317,743	6,682,443
Costs from exchange differences	(38,252,346)	(17,869,186)
Total Exchange difference	**(4,934,603)**	**(11,186,743)**
Financial income		
Interest	3,279,348	140,305
Income from holding short-term investments	2,622	309,825
Income from sale of short-term investments	363,496	6,960,556
Income brought about by financial instruments	130,000	5,341,541
Total Financial income	**3,775,466**	**12,752,227**
Financial costs		
Interests	(22,944,794)	(8,771,628)
Subtotal Interests	(22,944,794)	(8,771,628)
Other Financial costs		
Banking expenses	(1,073,015)	(682,135)
Loss from holding short-term investments	(17,952)	(27,164)
Tax on bank debits and credits	(4,739,729)	(2,168,789)
Other bad credits	-	(406,798)
Subtotal Other Financial costs	(5,830,696)	(3,284,886)
Total Financial costs	**(28,775,490)**	**(12,056,514)**

Note 27. Other income and expenses, net

	Profit/(loss)	
	Mar 31, 2016	Mar 31, 2015
Income from rent	11,501,371	-
Refund of costs	174,642	18,300
Income per termination of contract	83,380	-
Sundry	516,068	(12,536)
Total Other income and expenses, net	**12,275,461**	**5,764**

(figures expressed in Argentine pesos - $)

Note 28. Income tax and deferred tax expense

The structure of "Income tax" determined in accordance with IAS 12, which is shown in the statement of income as of March 31, 2016 and 2015, is as follows:

	Mar 31, 2016	Mar 31, 2015
Income tax expense	32,729,430	(8,370,711)
Deferred tax expense	(26,631,567)	8,285,361
Tax loss prescription	(43,122)	-
Total Income Tax	**6,054,741**	**(85,350)**

Deferred Tax at the close of the period or year has been determined on the basis of the temporary difference between accounting and tax-related calculations. The structure of assets and liabilities for Deferred Tax at the close of each period is as follows:

Assets from Deferred Tax	Mar 31, 2016	Dec 31, 2015
Bad credits	1,905,030	1,905,030
Property, plant and equipment	3,904,493	3,804,064
Deferred Income	21,800,295	15,218,928
Subtotal assets from Deferred Tax	27,609,818	20,928,022
Deferred Tax liabilities		
Short-term investments	(584,228)	(868,420)
Inventory valuation	(115,444,815)	(108,353,798)
Foreign currency valuation	(146,358,494)	(130,715,431)
Financial costs	(55,262,052)	(46,569,039)
Intangible assets	(25,110)	(21,148)
Subtotal liabilities from Deferred Tax	(317,674,699)	(286,527,836)
Net position of assets/(liabilities) from Deferred Tax	**(290,064,881)**	**(265,599,814)**

The Company produces projected estimates of its taxable income to determine the extent to which it will be able to use its deferred tax assets within the term of five years in accordance with the Income Tax laws in Argentina and Uruguay, which represents the basis for the recognition of our Deferred tax assets

The following is a detailed description of the reconciliation between Income Tax charged to results and the expected result from applying the relevant tax rate to the accounting result before taxes:

	Mar 31, 2016	Mar 31, 2015
Income Tax calculated at the current rate for each country	17,047,859	5,345,668
Non-deductible expenses	(435,219)	(1,095,394)
Assumed interests	(875,859)	(335,208)
Directors' Fees	(232,323)	(47,646)
Intangible assets	(123)	(123)
Donations	-	(4,200)
Effect for fiscal inflation adjustment	-	40,476
Effect of conversion – financial statements	(9,406,472)	(3,988,923)
Sundry	(43,122)	-
Income tax expense	**6,054,741**	**(85,350)**

Note 29. Related Parties

a) As of March 31, 2016 and December 31, 2015, the amounts outstanding with companies and other related parties, classified as per the nature of the transaction, are as follows:

RECEIVABLES FROM RELATED PARTIES	Notes	Mar 31, 2016	Dec 31, 2015
ACCOUNTS AND OTHER RECEIVABLE			
AGL Capital S.A.		1,808,410	2,308,410
Individual shareholders in foreign currency	38	83,557	74,056
		1,891,967	2,382,466
OTHER RECEIVABLE			
Individual shareholders		2,130,741	2,130,741
Other shareholders		3,439,061	3,439,061
		5,569,802	5,569,802
Total receivables from related parties		**7,461,769**	**7,952,268**

(figures expressed in Argentine pesos - $)

Note 29. Related Parties (continued)

OUTSTANDING SUMS DUE TO RELATED PARTIES	Mar 31, 2016	Dec 31, 2015
TRADE AND OTHER ACCOUNTS PAYABLES		
IRSA Inversiones y Representaciones S.A.	35,418,354	35,418,354
	35,418,354	35,418,354
ADVANCED PAYMENTS OF CLIENTS	**Mar 31, 2016**	**Dec 31, 2015**
Individual shareholders	1,340,000	935,600
Alto Palermo S.A.	236,645,106	236,645,106
IRSA Inversiones y Representaciones S.A.	60,287,590	60,287,590
Directors	686,647	686,647
	298,959,343	298,554,943
Total Outstanding sums due to related parties	**334,377,697**	**333,973,297**

b) As of March 31, 2016 and 2015, the most significant operations with companies and other related parties were as follows:

- Effects of transactions on cash flow

Related Company	Transaction	Mar 31, 2016	Mar 31, 2015
AGL Capital S.A.	Collections for services rendered	500,000	-
Total		**500,000**	**-**

- Effects of transactions on the income balance

Related Company	Transaction	Mar 31, 2016	Mar 31, 2015
AGL Capital S.A.	Revenue from ordinary activities	-	262,511
Individual Shareholders	Financial income	(394,900)	(588,444)
Board Members	Fees	(741,780)	(161,130)
Totals		**(1,136,680)**	**(487,063)**

c) As of March 31, 2016 and 2015, transactions with key personnel were as detailed below:

	Mar 31, 2016	Mar 31, 2015
Short-Term Salaries and social security	1,963,492	1,743,361
Social Security	346,259	193,730
Total	**2,309,751**	**1,937,091**

On December 13, 2011, the Board of Directors defined that its Senior Management departments, pursuant to Section 270 of the Argentine Corporate Law, are as follows:

- General Management
- Financial Management
- Operations Management
- Human Resources, Technology and Process Management

Thus, TGLT key personnel consist of the persons in charge of these Management Departments (four people).

(figures expressed in Argentine pesos - $)

Note 30. Breakdown by maturity of and interests rates on credits, tax assets and debts

a) Classification of credits, tax assets and debt balances according to maturity:

Credits/Tax assets	**Mar 31, 2016**	Dec 31, 2015
Due within		
Up to 3 months	80,655,574	46,871,856
From 3 to 6 months	628,715	23,134,657
From 6 to 9 months	951,401	536,514
From 9 to 12 months	192,021	840,071
Over 12 months	383,300,073	345,323,538
No specific due date	209,956,158	203,083,870
Past-due		
Up to 3 months	21,609,628	28,531,003
From 3 to 6 months	2,829,878	1,305,540
From 6 to 9 months	1,305,540	186,033
From 9 to 12 months	140,911	88,834
Over 12 months	88,834	18,200
	701,658,733	**649,920,116**

	Mar 31, 2016	Dec 31, 2015
Debts (except Advanced payments of clients)		
Due within		
Up to 3 months	387,459,268	318,183,007
From 3 to 6 months	18,855,954	146,091,969
From 6 to 9 months	170,523,230	18,822,691
From 9 to 12 months	38,406,706	67,407,239
Over 12 months	500,985,622	382,641,304
No specific due date	277,520,235	333,267,061
Past-due		
Up to 3 months	3,816,797	28,629,152
From 3 to 6 months	1,259,666	141,928
From 6 to 9 months	159,995	-
From 9 to 12 months	53,345	139,787
	1,399,040,818	**1,295,324,138**

b) Credit, tax asset and debt balances accruing interest and otherwise are shown below:

	Mar 31, 2016	Dec 31, 2015
Credits / Tax assets		
Accruing interests	1,344,165	1,536,188
Non accruing interests	700,314,569	648,383,928
	701,658,734	**649,920,116**
Average nominal annual rate:	**8%**	**8%**

	Mar 31, 2016	Dec 31, 2015
Debts		
Accruing interests	484,216,587	448,353,579
Non accruing interests	914,824,231	846,970,559
	1,399,040,818	**1,295,324,138**
Average nominal annual rate:	**39%**	**23%**

Note 31. Restricted assets

1. As a result of the funding obtained by Canfot S.A. by means of two mortgage-backed Construction Project Facility Agreements, entered into with Banco Hipotecario S.A. and as explained in Note 14, Canfot S.A. attached a first-priority mortgage to the real estate on which it is building the “Forum Alcorta” project.

As of March 31, 2016 and December 31, 2015, the recorded value of the mortgaged property mentioned above totals $ 294,693,972 and $ 411,620,358 (including land value and works in progress) and is included under the entry “Inventory” under current assets.

Note 31. Restricted assets (continued)

As of April 7, 2016, and due to the loans cancellations, the Company required and the bank accepted a partial mortgage release, related to the units that are included in Tower One of Forum Alcorta Project.

2. To secure the obligations assumed by the Company as a result of its purchase of the property where the "Astor Caballito" project is being developed, the Company provided a first-priority mortgage in favor of IRSA Inversiones y Representaciones S.A. (hereinafter "IRSA") over said property up to the amount of US$ 12,750,000 principal, plus corresponding interests, costs and expenses. Additionally, and to secure that operation, the Company provided a first-priority pledge in favor of IRSA over the shares it holds in Maltería del Puerto S.A (now merged with Canfot SA).

As a result of the merge and exchange of TGLT shares in Maltería del Puerto SA a first-priority mortgage of 3,571,397 Canfot SA shares was furnished in favor of IRSA.

As of March 31, 2016 and December 31, 2015, the recorded value of the mortgaged property mentioned above totals $ 115,893,618 and $ 115,429,796 (including land value and works in progress), and is included under the entry "Inventory" under current assets.

3. To secure the obligations assumed by the Company as a result of its purchase of the property where the "Astor Palermo" project is being developed, the Company provided a first-priority mortgage in favor of Alto Palermo S.A. (hereinafter "APSA") over said property. The mortgaged amount is US$ 8,143,231.

As of March 31, 2016 and December 31, 2015, the recorded value of the aforementioned mortgaged property amounts to $ 290,817,288 and $ 292,689,918 (including the value of the plot and works in progress) and is included under the entry "Inventory" under the current assets.

4. As a consequence of financing obtained by TGLT SA pursuant to the Financing Agreement for the financing of the construction of Astor Núñez with Banco de la Ciudad de Buenos Aires and as explained in Note 14.1, the Company provided a first-priority mortgage on the property where the Astor Núñez project is being developed.

As of March 31, 2016 and December 31, 2015, the recorded value of the mortgaged property mentioned above totals $ 399,738,913 and $ 354,453,825 (including land value and works in progress), and is included under the entry "Inventory" under current assets.

5. To secure the obligations assumed by the Company as a result of its purchase of the property where the Brisario project created by Proa and Metra Puerto Norte will be developed, the Company provided a first-priority mortgage in favor of Servicios Portuarios S.A over said property. The mortgaged amount is US$ 24,000,000.

As of March 31, 2016 and December 31, 2015, the outstanding debt was $ 227,773,420 and $ 202,052,068, respectively, and is included under "Accounts payables" under current liabilities.

As of March 31, 2016 and December 31, 2015, the recorded value of the mortgaged property mentioned above totals $ 411,710,092 and $ 384,125,624 (including land value and works in progress), and is included under the entry "Inventory" under current assets.

6. As mentioned in Note 33.2 and to secure obligations assumed by the Company as a result of the acquisition of Green Urban Homes SA where Metra Devoto Project will be developed, the Company provided a first-priority mortgage on the real estate property purchased in favor of the previous owners of the Company. The mortgaged amount is US$ 4,800,000.

As of March 31, 2016 and December 31, 2015, the recorded value of the aforementioned mortgaged property amounts to $ 68,329,398 and $ 67,656,250 (including the value of the plot and works in progress) and is included under the entry "Inventory" under the current assets.

7. On December 27, 2007, Marinas Río de la Plata SL and Marcelo Gomez Prieto entered into two Stock Pledge Agreements, one in favour of Marcelo Gómez Prieto and the other in favour of Marinas Río de la Plata SL (hereinafter, the "Stock Pledge Agreements"). Pursuant to said agreements, each party granted the other, as security for the fulfilment of the financing obligations by both in connection with Marina Río Luján S.A., a first-priority security interest pursuant to Section No. 580 et seq. of the Code of Commerce of the Argentine Republic, on all the shares issued by Marina Río Lujan S.A. owned by the party who ultimately becomes the Pledger under each of the Stock Pledge Agreements.

The following is a description of the financing obligations secured under the Stock Pledge Agreements:

I. The financing policy of Marina Río Luján S.A. will be established by the Board of Directors with a view to attaining the most efficient financial and tax structure for the development of this real estate project. These policies will be implemented substantially in the same condition as would have been obtained in the open market by unrelated third parties.

II. In first instance, Marcelo Gomez Prieto and Marinas Río de la Plata SL, through Marina Río Luján S.A., will try to obtain financing from independent third parties to develop the real estate project of that company. For these purposes, Marina Río Luján S.A. will accept third-party financing on arm's length terms. In the event that such third party financing is not disbursed, each party will provide financing to the other for up to US$ 4,000,000.

On February 22, 2010, Marcelo Gómez Prieto consented, and the Company agreed, to assume all of the rights and obligations of Marinas Río de la Plata SL and replace it under the Stock Pledge Agreements.

Note 31. Restricted assets (continued)

8. As a result of certain demolition activities conducted in September 2006 on the premises of the "Astor Nuñez" urban project, Pico y Cabildo S.A. was served with process regarding a suit for "damages due to proximity" in 2009. The case is held before the 89th Civil Trial Court and the amount claimed is approximately $ 440,000.

On August 24, 2012, the Court granted a motion to dismiss filed by the Company based on the statute of limitations and such court decision was appealed by the plaintiff. The case has been sent to the Court of Appeals and is now awaiting a decision.

As a consequence of the acquisition of shares of Pico y Cabildo S.A. by TGLT S.A., and to secure the outcome of the contingency mentioned above, the former shareholders made a time deposit on behalf of Pico y Cabildo S.A., which will be used solely to pay any obligations arising out of the claim filed against the Company.

Consequently, current assets as of March 31, 2016 and December 31, 2015 include the sums of $ 2,932,111 and $ 2,584,383, respectively, under the entry "Cash and Cash Equivalents", and the sums of $ 2,932,111 and $ 2,584,383, respectively, included in current liabilities under the entry "Other accounts payables."

9. Disposal of Monroe Real Estate is restricted due to a purchase option of such real estate delivered to a client as collateral for the payment of the option owned by the client, to resell to the Company a number of functional units acquired. The Board of Directors believes there is a low likelihood that such option will be executed by the client.

Note 32. Litigation

32.1. Health and Safety

During the last quarter of the fiscal year 2013, Maltería del Puerto S.A. was summoned three times as joint-and-several guarantor of Constructora Sudamericana S.A. for a subcontractor's alleged violation of safety and health obligations. The company submitted the requisite replies. The Ministry of Labour and Social Security of the Province of Santa Fe has not issued any resolution regarding these proceedings.

As of the date of these financial statements, we cannot determine whether the defendants will be held liable, or if the adverse resolution, if any, will extend to Maltería del Puerto S.A. as the owner of the property. If monetary penalties are imposed, they must be paid, regardless of if an appeal is filed with the Labour Court of Appeals for the Province of Santa Fe.

The Board of Directors of the Company and its legal counsel estimate that the resolution of said claims should not generate significant material losses for the Company. As a result, as of March 31, 2016, no charges have been recognized in relation to this violation.

32.2. Labor Claims

On August 3, 2013, the Company was served, in its capacity as joint-and-several guarantor, with a labor claim. An administrative employee of Ingeniero Milia SA ("IGM") demanded $ 124,500 from IGM and five other real estate developers, including Maltería del Puerto S.A. The case was submitted to Labour Court No 3 of the City of Rosario, Santa Fe. On September 10, 2013, the Company submitted the requisite replies. The case is currently being examined by the Court.

On October 30, 2013, the Company was served, in its capacity as joint-and-several guarantor, with a labor claim in which a construction worker sued IGM. The case was submitted to Labour Court No 2 of the City of Rosario, Santa Fe, for an amount of $ 123,513. On November 14, 2013 the Company submitted the requisite replies. The case is currently being examined by the Court.

In August 2014, Maltería del Puerto (now merged with Canfot SA) was served, in its capacity as joint-and-several guarantor, with a labor claim related to an employee of Rubén Bondino SRL. The case was submitted to Labour Court No 4 of the City of Rosario, for an amount of $ 23,526 plus other items to be judicially determined. On September 30, 2014, the Company submitted the requisite replies. The case is currently being examined by the Court.

On February 6, 2015, Maltería del Puerto (now merged with Canfot SA) received a summons for March 25, 2015 related to the demand "MIGUEL; GONZALO JAVIER c/MARMOLES MATO SRL AND OTHER ON PREPARATORY LEGAL PROCEEDINGS" (File No 1864/14). This is a labor claim served to Mármoles Amato Rubén Antonio Amato, Constructora Sudameiricana and Canfot SA. As of the date of these financial statements, the amount of the claim is unknown.

The Board of Directors of the Company and its legal counsel estimate that the resolution of the claims described above are not likely to generate significant material losses for the Company. As a result, as of March 31, 2016 no charges have been recognized in relation to this matter.

Note 32. Litigation (continued)

32.3. Ingeniero Guillermo Milia S.A. (IGM)

In February 2012, IGM (a company hired for the provision of concrete and masonry services for Forum Puerto Norte urban project) filed an insolvency petition before the Civil and Commercial Trial Court No. 1 in and for the City of Olavarría, in the case "Ingeniero Guillermo Milia S.A. s/Concurso Preventivo."

Maltería del Puerto and the Company have appeared in court as unsecured creditors, claiming credits for the amount of $ 9,085,156 and $ 1,293,689, respectively. On September 12, 2012, the Court disregarded the proof of claims filed by Maltería del Puerto as unsecured creditor and declared its credits inadmissible. For this reason, on October 12th, 2012, Maltería del Puerto filed a motion for review in the proceedings. On December 27, 2012 TGLT S.A. was served notification of the IGM SA commencement of review of its credit. TGLT submitted a reply on February 12, 2013.

On December 17, 2014, the judge declared the credit of Maltería del Puerto S.A. as admissible for the amount of $ 8,341,910.35.

As of the date of issuance of these financial statements, IGM SA is cancelling 40% of each commercial loan in a ten-installment annual payment plan.

As a consequence of the aforementioned, Canfot SA Board of Directors decided to set up an allowance for the amount of $ 4,650,167 included under the entry "Other receivables" within the current assets.

32.4. Tax claims

Worksite Advertising and Fence

On July 8, 2011, Dirección General de Rentas (General Revenue Bureau, dependent of the Governmental Administration of Public Revenue of the City of Buenos Aires) drafted a resolution for the works where "Forum Alcorta" urban project is being developed, due to an alleged failure to pay advertising fees regarding the fence surrounding the site and alleged failure to pay the fee for occupying the street right-of-way with the fence, understanding that the same had been placed on the street right of way (at a distance of approximately 35 centimeters from the municipal line).

Regarding the fee for occupying the street right-of-way, on November 3, 2011, Canfot S.A. adhered to a payment plan for the total amount of $ 601,800 (including principal and interest), to be paid in 60 monthly instalments.

As of March 31, 2016 and December 31, 2015, the outstanding liability totaled $ 76,719 and $ 103,961 (principal only), included in the entry "Other tax burden" under current liabilities.

32.5. Astor Palermo building project/Preliminary Injunction

On June 9, 2011, the Court for Administrative and Tax of the Autonomous City of Buenos Aires No. 9, Secretariat No. 18, developed a precautionary measure in the file No. 41,544, called "Asociación Amigos Alto Palermo c / Government of the Autonomous City of Buenos Aires s / Amparo". This measure suspended the construction work of the building fronting on Beruti No. 3351/59 between Bulnes street and Coronel Diaz avenue of Buenos Aires.

On April 26, 2012, the Appeals Chamber decided to reverse the court ruling and have the lifting of the precautionary measure dictated timely, suspending the continuation of work on the "Astor Palermo". On June 30, 2015 the Judge decided to file the proceedings.

32.6. Astor Caballito building project /Preliminary Injunction

On August 14, 2012, the Court of Appeals on Administrative and Tax Matters of the City of Buenos Aires, enforced injunctions in two related proceedings involving the Astor Caballito Project, brought by certain neighbors associations against us questioning the validity of the construction plans. Such injunctions ordered the suspension of construction on the premises of Astor Caballito. We brought actions seeking the revocation of these decisions, which were further denied by the Supreme Court. The evidence discovery period concluded on October 23, 2015, and the proceeding is pending a final decision by the court. The permits for this project may be compromised if the court enforces the injunctions. Our agreements with Inversiones y Representaciones Sociedad Anónima, or IRSA, entered into in connection with the barter acquisition of the property, provide that if the potential size of the project is reduced due to a conflict with the plans, IRSA's right to future units in the project is proportionally reduced.

32.7. Other claims

The following are updates that occurred during the periods relating to "Other claims". For further information, please refer to our financial statements ended December 31, 2015.

- On December 2, 2013 Maltería del Puerto (merged with Canfot SA) was notified about a claim before the General Arbitration Tribunal of the Rosario Stock Exchange for breach of contract. The claim relates to an alleged delay in the delivery of the functional unit and lack of under floor heating in the unit. As of the date of issuance of these financial statements, the file is pending substantiation of the resource for judgment nullity dated January 20, 2016 in the amount of $ 1,305,000.

Note 32. Litigation (continued)

32.7. Other claims (continued)

- On June 25, 2013, Maltería del Puerto SA initiated an extrajudicial mediation against Aseguradora de Cauciones Compañía de Secures to claim the collection of payment under insurance policies in the amount of 823,626, and 823,686, or satisfy the mediation requirement for future claims related to patrimony. On August 13, 2013, the mediation process was finished without the parties having reached an agreement. The claim has been initiated as a consequence of IGM's bankruptcy protection filing. IGM abandoned the construction of Astor Caballito without returning financial advances granted by TGLT SA (the subject of the above-referenced insurance policies claim) among other breaches of the construction contract and other damages to the Company. Considering the status and nature of the proceedings, the claim result is uncertain. As of the date of the issuance date, there is no payable sum nor is it possible to reasonably estimate the amounts that the Company may face if it is not successful in the mediation. In March 2014, the demand was filed. During March 2016, Canfot S.A. agreed with Aseguradora de Cauciones so as to receive a total amount of $ 1,200,000 in five consecutive payments, four of $ 250,000 and the last one of $ 200,000. At the date of issuance of these financial statements two of the five installments were received.

Note 33. Interest in other companies – Acquisitions and transfers

Merger between companies: TGLT S.A. and Green Urban Homes S.A.

On December 2, 2014, TGLT signed a Purchase Agreement by means of which TGLT SA acquired 100% of the shares of "Green Urban Homes SA" (GUHSA). GUHSA's main asset was the ownership of a property with a total area of 6,227 square meters, in the City of Buenos Aires. The total purchase price of the shares of GUHSA acquired by TGLT SA under this Purchase Agreement was US$ 4,800,000, payable as follows: (a) US$ 500,000 on January 6, 2015; (b) US$ 700,000 on January 5, 2016; (c) US$ 1,200,000 on January 5, 2017; (d) US$ 1,200,000 on January 5, 2018; and (e) US$ 1,200,000 on January 5, 2019. As of the date of these financial statements, TGLT had cancelled US$ 1,200,000.

As of March 31, 2016 and December 31, 2015, the sum to be cancelled amounted to $ 52,920,008 and $ 56,072,007, respectively, shown under "Other payables" within current liabilities for the amount of $ 17,640,008 and $ 9,128,007, respectively, and within the non-current liabilities for the amount of $ 35,280,000 and $ 46,944,000, respectively.

To secure the obligations assumed for the payment of the purchase price of shares, GUHSA (as guarantor) furnished a first-priority mortgage in favor of the sellers (as creditors) and at their satisfaction, over said property and regarding the obligations assumed by TGLT under the Purchase Agreement.

On March 31, 2015, the TGLT SA Board of Directors and GUHSA Board of Directors approved the Commitment to Merge, with TGLT as the surviving company and Green Urban Homes SA ceasing to exist. The benefits of this merger are the simplification of TGLT SA and GUHSA's administrative structure, the benefits of centralized management and the elimination of double administrative structures with its subsequent double costs. The date for the reorganization was January 1, 2015.

On September 25, 2015, the Shareholders' Meetings of both companies approved the merger and authorized the Company's Board of Directors to approve the Definitive Merger Agreement. As of the date of these financial statements, the transaction is pending approval from the regulator.

Note 34. Risks – financial risk management

The Company is exposed to market, liquidity and credit risks that are inherent to the real estate business, as well as to the financial instruments used to finance real estate projects and for liquidity investments. The Company's management regularly analyzes risks to report to the Board of Directors, and devises risk management strategies and policies. Likewise, it monitors that the practices adopted throughout the Company are consistent with established policies. It also monitors current policies and adapts or modifies them based on market changes and emerging Company needs.

34.1. Market Risks

The activities of the Company are exposed to risks inherent to the real estate development business in Argentina. These include the following:

Risk of increasing construction costs

Most of our costs are pegged to the fluctuation of construction and material prices and labor rates. However, the Company uses a set of strategies to prevent losses, for example, adjusting the price lists monthly to reflect at least the projected increase of construction costs published by Chamber of Argentine Construction Companies (Cámara Argentina de la Construcción - CAC).

Note 34. Risks – financial risk management (continued)

Risks of demand of our products

Financing for our real estate projects depends mostly on the amount of presales. The demand for our products depends on several external factors. For this reason, the Company Management monitors the pace of sales, which allows project financing. We continuously control our sales speed and we make adjustments to our marketing strategy, including prices and discounts policies, with the objective of ensure the operative financing of our projects. In some cases, we have also adjusted our products in response to the market evolution.

Risk of suppliers' contract default

The Company thoroughly evaluates the external contractors, both before and during performance of the contract, to reduce the risk of contractual default. The Company also requires insurance policies to cover the mentioned risks.

34.2. Financial Risks

Risks related to financing

TGLT accesses capital markets to finance additional costs with respect to project construction. FIX SCR SA Agente de Calificación de Riesgo (former Fitch Argentina Calificadora de Riesgo SA) has recently granted the Company a long-term rating of BBB (investment grade). This is also the reason why we keep permanent relations with the banking community and with national and international investors so as to obtain financing for our projects and refinancing our debts if it is needed.

Risk related to exchange rates

TGLT develops and sells its products in Argentina and Uruguay and consequently is exposed to risks arising from exchange rate fluctuations.

In particular, TGLT SA has debts in foreign currencies, such as the mortgaged loan granted by Canfot SA for Forum Alcorta project and corporate notes. Because of this, TGLT SA performed financial coverage transactions between the Argentine peso and the US dollar during this period to minimize the risks related to exchange rates of its financial liabilities. TGLT SA does not perform financial coverage transactions with speculative purposes.

Risks related to interest rates

TGLT is exposed to risks related to interest rates in its investment portfolio and in its financial liabilities. Our liabilities, in most of the cases, are tied to a reference interest rate, Private BADLAR. Historically, the BADLAR rate level has been below the CAC index, the one we use to adjust our sales and construction contracts. We estimated that, in case of a hypothetical increase of 100 bps in BADLAR Private Rate, our financial position would have suffered a loss of $ 109,875 approximately, and $ 147,644 would have been activated, and used in inventory construction for the three-month period ended March 31, 2016.

Risk originated in credits

The risks originated in credits may arise in cash and cash equivalents, deposits with banks and financial institutions, as well as with credits granted to clients, including other assumed credits and transactions. The Company actively controls the credit reliability of its liquid assets instruments and its counterparts related to derivate and insurance in order to minimize credit risks. Purchase agreements include strong penalties for breach in payment fulfillment, bringing about high costs for our clients and consequently, we do not register a high level of delay or failure in payment.

The Company finances its projects mainly by means of the pre-sale of units. Purchase agreements with our clients include, in general, a payment plan beginning with the agreement subscription and ending with the delivery of the finished product, with installments along the building process. Any irregularity or delay in payment constitutes a risk for project financing.

Credit risk related to the investment of cash and cash equivalent balances is managed directly by the Treasury. The Company maintains deposits in accredited financial entities.

Note 34. Risks – financial risk management (continued)

Liquidity risks

TGLT's financing strategy seeks to preserve adequate financing resources and access to additional liquidity.

Management keeps enough cash and cash equivalents to finance usual levels of transactions and believes that TGLT has adequate access to the market to finance short-term working capital needs.

During the first quarter of 2016, the operating cash flow reached $ 126.3 million, $ 330.2 million originated in collection sales. Additionally, $ 96.8 million was obtained by the issuance of corporate notes on February 23, 2016, and as a result, the cash and cash equivalents balance ended in $ 157.2 million.

Note 35. Financial instruments

During 2016, TGLT SA carried out hedge between the Argentinian peso and the US dollar to minimize the risks brought about by exchange rates on its corporate notes in the local market.

As of March 31, 2016 the amount related t financial instruments is included in "Financial instruments" in current assets for $ 2,107,071 and as of December 31, 2015 these had been fully cancelled.

Note 36. Segment information

36.1. Introduction

The Company has adopted IFRS 8—Operating Segments, which provides that operating segments are identified on the bases of internal reports regarding the company components regularly reviewed by the Board of Directors, the main operating decision-maker, to allocate resources and assess performance. To conduct its business, both financially and operationally, the Company has established that each of its real estate undertakings represents a business segment: Forum Puerto Norte (FPN), Forum Alcorta (FFA), Astor Palermo (ASP), Astor Caballito (ASC), Astor Núñez (ASP), Venice (VEN), Forum Puerto del Buceo (FPB), Metra Puerto Norte (MPN), Faca Foster (FAF) (the last two result from the division of an ex FACA project), and Metra Devoto (MDV) among others. Likewise, it has been the Company´s decision to consolidate less significant projects within the description of income and assets and liabilities composition, considering them non-reportable segments as per IFRS regulations.

Company management uses the indicators summarized in the following sections:

36.2. Information on secured sales and collections

Information in million pesos.

	FPN	FFA	FPB (1)	ASP	ASN	VEN	Others (2)	TOTAL
SALES								
(1) COMMERCIALIZED UNITS								
In the period ended on 31.03.2016	-	3	2	1	36	25	38	105
In the period ended on 31.03.2015	2	3	23	3	13	4	18	66
Accrued as to 31.03.2016	452	150	216	206	284	304	441	2,053
Percentage of launched units	*100%*	*97%*	*64%*	*98%*	*95%*	*65%*	*46%*	*60%*
(2) SECURED SALES								
In the period ended on 31.03.2016	-	30.8	22.1	3.3	93.5	46.2	59.7	255.7
In the period ended on 31.03.2015	2.5	44.4	55.7	11.7	25.6	5.5	22.5	167.9
Accrued as to 31.03.2016	432.4	1,053.2	1.151.2	364.9	500.2	523.3	515.3	4,540.6
(3) ADVANCES OF CLIENTS (*)								
In the period ended on 31.03.2016	0.1	(125.0)	202.4	(3.2)	110.2	54.0	84.6	323.0
In the period ended on 31.03.2015	(29.9)	(47.3)	67.6	37.0	36.0	20.5	(1.3)	82.5
Accrued as to 31.03.2016	11.6	201.0	1.264.8	267.0	443.7	344.9	288.4	2,821.4
(4) REVENUE PER SALES								
In the period ended on 31.03.2016	1.7	166.6	-	13.6	-	-	9.0	191.0
In the period ended on 31.03.2015	9.3	131.8	-	-	-	-	2.5	143.6
Accrued as to 31.03.2016	420.5	839.7	-	303.2	12.7	-	-	1.,576.1
(5) SALES RECEIVABLE								
Accrued as to 31.03.2016	2.6	19.7	-	6.0	-	-	-	28.4
BALANCE RECEIVABLE (3)								
For secured sales	9.5	63.6	142.3	6.5	75.9	190.1	292.0	779.9

Note: there are no external clients representing more than 10% of total secured sales.

(1) The only project developed abroad (Montevideo, Uruguay).

(2) Includes Astor Caballito, Metra Puerto Norte, Proa (former FACA Foster), Metra Devoto and Other projects.

(3) The amount in Balance Receivable is calculated on cost basis only, without considering swap revaluations effects in advances of clients.

(*) Negative values represent delivery of Functional units.

(figures expressed in Argentine pesos - $)

TGLT

Note 36. Segment information (continued)

36.3. Information on Inventory and investment budget

	FPN	FFA	FPB (1)	ASP	ASN	VEN	Others (2)	TOTAL
INVENTORY								
(7) INVENTORY								
As of 31.03.2016 (three-month period)	(2.1)	(116.9)	182.4	(1.9)	45.3	42.9	29.6	179.3
Accrued as of 31.12.2015	15.1	411.6	1.071.2	292.7	354.5	402.4	569.1	3,116.6
Accrued as of 31.03.2016	13.0	294.7	1.253.5	290.8	399.7	445.3	598.7	3,295.8
Accrued as of 31.03.2016 (net of interests)	12.6	265.8	1.253.5	278.5	338.0	428.3	598.7	3,175.4
(8) COST OF SOLD PRODUCTS								
In the period ended on 31.03.2016	3.1	137.9	-	5.7	-	-	1.9	148.6
In the period ended on 31.03.2015	12.5	94.8	-	-	-	-	0.5	107.9
Accrued as of 31.03.2016	508.2	624.6	-	265.5	16.3	-	-	1,414.6
Accrued as of 31.03.2016 (net of interests)	489.5	556.0	-	227.9	13.6	-	-	1,287.0

(1) It considers only the accrued inventory proportional to the project launched stages.

(2) It includes Astor Caballito, Metra Puerto Norte, Proa, Metra Devoto and Other projects.

36.4. Information on the Income Statement, Assets and Liabilities

Fiscal period ended on March 31, 2016	**FPN**	**FFA**	**FPB**	**ASP**	**ASN**	**VEN**	**Others (1)**	**TOTAL**
(LOSS) INCOME BALANCE								
Gross income per segment (4.a - 8.a)	**(1.4)**	**28.7**	**-**	**7.9**	**-**	**-**	**7.1**	**42.3**
Gross Margin	*(80.3%)*	*17.2%*	-	*58.1%*	-	-	*78.7%*	*22%*
Commercialization and management expenses								(49.7)
Other financial results and for holding, net								(17.7)
Other expenses								(0.1)
Loss for the period before income tax								**(25.1)**
FINANCIAL STATEMENT								
ASSETS								
Inventory								
In building process	-	-	1,253.5	-	399.7	445.3	598.7	2,697.3
Finished units	13.0	294.7	-	290.8	-	-	-	598.5
Assets per segment	**13.0**	**294.7**	**1,253.5**	**290.8**	**399.7**	**445.3**	**598.7**	**3,295.8**
Trade and other receivables	2.6	19.7	-	7.9	-	-	(1.9)	28.4
Goodwill	-	79.4	-	-	10.6	21.5	-	111.4
Other current assets								544.0
Other non-current assets								419.0
TOTAL ASSETS								**4,398.6**
Advances in local and foreign currency	11.6	201.0	1,264.8	267.0	443.7	344.9	288.4	2,821.4
Short-term financial debt	-	19.2	145.5	-	48.9	30.8	87.8	332.2
Long-term financial debt							153.0	153.0
Other current liabilities								571.8
Other non-current liabilities								339.8
TOTAL LIABILITIES								**4,218.3**
Fiscal period ended on March 31, 2015	**FPN**	**FFA**	**FPB**	**ASP**	**ASN**	**VEN**	**Others (1)**	**TOTAL**
(LOSS) INCOME BALANCE								
Gross income per segment (4.a - 8.a)	**(3.2)**	**37.0**	**-**	**-**	**-**	**-**	**2.0**	**35.7**
Gross Margin	*(34.6%)*	*28.1%*	-	-	-	-	*80.0%*	*25%*
Commercialization and management expenses								(29.9)
Other financial results and for holding, net								(10.5)
Other expenses								(0.1)
Loss for the period before income tax								**(4.7)**

(figures expressed in Argentine pesos - $)

Note 36. Segment information (continued)

36.4. Information on the Income Balance, Assets and Liabilities (continued)

Fiscal year ended on December 31, 2015	FPN	FFA	FPB	ASP	ASN	VEN	Others (1)	TOTAL
FINANCIAL STATEMENT								
ASSETS								
Inventory								
In building process	-	-	1,071.2	-	354.5	402.4	569.1	2,397.1
Finished units	15.1	411.6	-	292.7	-	-	-	719.4
Assets per segment	**15.1**	**411.6**	**1,071.2**	**292.7**	**354.5**	**402.4**	**569.1**	**3,116.6**
Trade and other receivables	2.5	25.0	-	3.6	-	-	-	31.1
Goodwill	-	79.4	-	-	10.6	21.5	-	111.4
Other current assets								368.6
Other non-current assets								390.7
TOTAL ASSETS								**4,018.4**
Advances in local and foreign currency	11.5	326.0	1,062.4	270.2	333.6	290.8	203.8	2,498.4
Short-term financial debt	-	83.5	92.2	-	42.5	17.7	156.1	392.0
Long-term financial debt	-	-	-	-	-	-	58.7	58.7
Other current liabilities								529.7
Other non-current liabilities								324.5
TOTAL LIABILITIES								**3,803.3**

(1) It includes Astor Caballito, Metra Puerto Norte, Proa, Metra Devoto and Other projects.

Note 37. Earnings per share

Basic and diluted earnings per share

The results and average estimated number of ordinary shares used for calculating basic earnings per share are the following:

	Mar 31, 2016	Mar 31, 2015
Result used for calculating earnings per basic share	(24,010,826)	(5,192,656)
Average estimated number of ordinary shares for purposes of earnings per basic share (all estimations)	70,349,485	70,349,485
Earnings per share	**(0.34)**	**(0.07)**

The average estimated number of basic shares was 70,349,485, the same as the average estimated number of diluted shares, as there were no debt securities convertible to shares as of March 31, 2016 and 2015.

(figures expressed in Argentine pesos - $)

Note 38. Assets and liabilities in foreign currency

	Mar 31, 2016				Dec 31, 2015
	Class and amount in foreign currency		Exchange rate	Total amount accounted for in pesos	Total amount accounted for in pesos
ASSETS					
Current assets					
Cash and cash equivalents :					
Cash	US$	1,044	14.600	15,290	36,007
	UYU	5,782	0.462	2,671	19,798
				17,961	55,805
Banks	US$	9,034,188	14.600	132,020,094	14,572,580
	UYU	17,938,575	0.462	8,287,622	233,323
				140,307,716	14,805,903
Certificate of deposits	US$	2,160,643	14.700	31,663,400	2,584,383
Mutual funds	US$	250,000	14.600	3,649,993	6,051,016
Bonds and titles	US$	4,083,205	14.600	59,818,951	60,957,008
Accounts and other receivables:					
Debtors per sale of goods	US$	1,573,598	14.600	22,974,532	22,813,020
Debtors for services rendered	US$	823	14.600	12,038	4,956
Other receivables:					
Value added Tax	UYU	134,648,563	0.462	62,207,636	47,722,207
Net Worth Tax	UYU	83,110	0.462	38,397	3,766,294
Advance payments to work suppliers	US$	1,818,547	14.600	26,636,816	17,021,919
	UYU	36,379,424	0.462	16,807,294	2,006,786
				43,444,110	19,028,705
Security deposits	US$	54,600	14.600	797,640	707,004
Insurance to be accrued	US$	84,574	14.600	1,236,355	1,634,969
	UYU	58,324	0.462	26,946	35,956
				1,263,301	1,670,925
Expenses to be accounted for	US$	5,857	14.600	85,805	48,141
Collectable fund for equipment	US$	180,537	14.600	2,635,845	3,332,822
Advance payments for the purchase of real estate properties	US$	1,500,000	14.600	21,899,999	19,410,000
Sundry	US$	1,364	14.600	19,983	17,718
Receivables from related parties:					
Accounts receivable	US$	5,723	14.600	83,557	74,056
Total current assets				390,920,864	203,049,963
Non current assets					
Other receivables:					
Security deposits	UYU	112,887	0.462	52,154	49,011
Tax assets:					
Federal Tax	UYU	28,950	0.462	13,375	-
Total non-current assets				65,529	49,011
Total assets				**390,986,393**	**203,098,974**

(figures expressed in Argentine pesos - $)

Note 38. Assets and liabilities in foreign currency (continued)

	Mar 31, 2016				Dec 31, 2015
	Class and amount in foreign currency		Exchange rate	Total amount accounted for in pesos	Total amount accounted for in pesos
LIABILITIES					
Current Liabilities					
Trades payable:					
Suppliers	US$	1,051,691	14.700	14,881,333	9,676,702
	UYU	52,139,243	0.462	24,088,330	27,154,391
				38,969,663	36,831,093
Deferred checks	US$	640,341	14.700	9,380,996	8,987,989
	UYU	32,756,733	0.462	15,133,611	577,847
				24,514,607	9,565,836
Provision for expenses	US$	77,783	14.700	1,142,193	953,414
	UYU	-	0.462	-	50,661
				1,142,193	1,004,075
Provisions for works	US$	694,407	14.700	10,173,061	2,120,916
	UYU	35,472,983	0.462	16,388,518	4,950,099
				26,561,579	7,071,015
Insurance payable	US$	109,398	14.700	1,608,157	1,703,863
Contingency fund	US$	169,290	14.700	2,480,922	1,576,024
	UYU	17,484,372	0.462	8,077,780	5,721,948
				10,558,702	7,297,972
Building permit	UYU	31,192,792	0.462	14,411,070	21,978,955
Creditors per real estate purchase	US$	15,794,790	14.700	232,183,419	205,964,067
Short-term financial debt:					
Short-term financial debt received	US$	12,021,520	14.700	176,219,914	109,865,697
Mortgage-backed bank borrowings	US$	-	14.700	-	25,729,155
Bank overdrafts agreements	US$	4,963	14.700	72,708	-
Corporate notes	US$	1,397,177	14.700	20,538,501	27,311,236
Salaries and social security:					
Fees and wages payable	UYU	2,311,498	0.462	1,067,912	1,003,335
Social Security payables	UYU	190,957	0.462	88,222	112,338
13th Salary and holidays accrued	UYU	1,294,117	0.462	597,882	374,035
Other tax burdens:					
Net worth tax provision	UYU	13,765,799	0.462	6,359,799	-
Withholdings and collections to be deposited	UYU	126,206	0.462	58,307	721,192
Outstanding sums due to related parties:					
Borrowings	US$	-	14.700	-	17,682,838
Other accounts payable:					
Sundry creditors	US$	199,463	14.700	2,932,111	2,584,383
Debt per purchase of shares	US$	1,200,000	14.700	17,640,008	9,128,007
Current tax liabilities					
Net Income Tax	$U	1,470,422	0.462	679,335	43,815
Total current liabilities				576,204,089	485,972,907

(figures expressed in Argentine pesos - $)

Note 38. Assets and liabilities in foreign currency (continued)

LIABILITIES	Mar 31, 2016 Class and amount in foreign currency		Exchange rate	Total amount accounted for	Dec 31, 2015 Total amount accounted for
Non-current liabilities					
Trades payable:					
Building permit	UYU	20,589,504	0.462	9,512,351	8,780,560
Other payables:					
Debt by purchase of shares	US$	2,400,000	14.700	35,280,000	46,944,000
Total non-current liabilities				44,792,351	55,724,560
Total liabilities				**620,996,440**	**541,697,467**

US$: United States doll$. UYU: Uruguayan pesos.

Note 39. Investment in property under construction

On December 23, 2014, TGLT partnered with a group of independent investors and Bayer SA, and signed a Purchase Agreement by which they purchased a property with improvements from Bayer located in Belgrano neighborhood, City of Buenos Aires, on 1300 Monroe Street, 1300 Blanco de Encalada Street and 2400 Miñones Street, with a total area of 10,163 square meters. The value of such property amounts to US$ 12,626,261. TGLT's share in this real estate acquisition represents 31.36% of the total.

Disposal of Monroe Real Estate is restricted, as mentioned in note 31.9.

Finally, buyers will be able to transfer all of their rights and obligations to: (i) a commercial company in which directly they hold 100% of its share capital; or (ii) a management trust. In such cases, the deed and delivery of possession will be made in favor of the company or trustee of the trust administration, as appropriate in each case.

As of March 31, 2016 and December 31, 2015, investment property under construction was $ 34,405,951 and $ 34,326,685, respectively.

Note 40. Determination of fair value

A.Financial Instruments per category

The following are financial assets and liabilities per financial instrument category and a reconciliation with the corresponding line shown in the consolidated financial statements.

The financial assets and liabilities as of March 31, 2016 and December 31, 2015 were as follows:

Concept	Financial Assets at their fair value with changes through profit or loss	Depreciated Cost	Investments held to maturity	Total
FINANCIAL ASSETS				
Cash and cash equivalents	59,818,938	189,855,212	2,932,111	252,606,261
Financial Instruments	2,107,071	-	-	2,107,071
Accounts and other receivable	-	28,374,489	-	28,374,489
Other credits	-	284,290,193	-	284,290,193
Receivables from related parties	-	7,461,769	-	7,461,769
Total assets as of March 31, 2016	**61,926,009**	**509,981,663**	**2,932,111**	**574,839,783**

(figures expressed in Argentine pesos - $)

Note 40. Determination of fair value (continued)

Concept	Financial Liabilities at their fair value with changes through profit or loss	Financial Liabilities valued at their depreciation cost	Total
FINANCIAL LIABILITIES			
Trade and other accounts payables	-	455,517,680	455,517,680
Financial debt	322,466	484,950,384	485,272,850
Other accounts payable	-	56,567,883	56,567,883
Outstanding sums with related parties	-	35,418,354	35,418,354
Total liabilities as of March 31, 2016	**322,466**	**1,032,454,301**	**1,032,776,767**

Concept	Financial Assets at their fair value with changes through profit or loss	Depreciated Cost	Investments held to maturity	Total
FINANCIAL ASSETS				
Cash and cash equivalents	60,957,008	31,531,932	2,584,383	95,073,323
Accounts and other receivable	-	31,119,108	-	31,119,108
Other credits	-	266,354,607	-	266,354,607
Receivables from related parties	-	7,952,268	-	7,952,268
Total assets as of December 31, 2015	**60,957,008**	**336,957,915**	**2,584,383**	**400,499,306**

Concept	Financial Liabilities at their fair value with changes through profit or loss	Financial Liabilities valued at their depreciation cost	Total
FINANCIAL LIABILITIES			
Accounts and other accounts payables	-	424,481,742	424,481,742
Financial debt	276,076	450,479,346	450,755,422
Other accounts payable	-	59.372,160	59,372,160
Outstanding sums with related parties	-	35,418,354	35,418,354
Total liabilities as of December 31, 2015	**276,076**	**969,751,602**	**970,027,678**

A. Financial Instruments per category

In the case of Sales receivable, other receivable and receivables from related parties, book value is considered to be near the fair value as such credits are substantially short-term.
In the case of trade payable, financial debt, other accounts payable and intercompany balances, their book value is considered to be near their market value.

B. Determination of fair value

The Company has classified assets and liabilities measured at their reasonable value after their initial recognition in three levels of reasonable values, based on the relevance of the information used to determine them:

Level 1: measurement of reasonable values is derived from quotation prices (not adjusted) in active markets for identical assets or liabilities.

Level 2: the information used to determine the reasonable values includes: market price of similar instruments in active markets, market price of similar or identical instruments in inactive markets, or models of value determination which use information derived from market information or may be observed with market information.

Level 3: the information used to determine reasonable values cannot be observed and is significant to determine such values. Such information requires the significant judgment and estimates of Company management.

(figures expressed in Argentine pesos - $)

TGLT

Note 40. Determination of fair value (continued)

Assets and liabilities measured at their fair value as of March 31, 2016 and December 31, 2015 are as follows:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	59,818,951	-	-	59,818,951
Financial Instruments	2,107,071	-	-	2,107,071
Totals as of March 31, 2016	**61,926,022**	-	-	**61,926,022**
Liabilities				
Other Financial Liabilities	322,466	-	-	322,466
Totals as of March 31, 2016	**322,466**	**-**	**-**	**322,466**

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	60,957,008	-	-	60,957,008
Totals as of December 31, 2015	**60,957,008**	**-**	**-**	**60,957,008**
Liabilities				
Other Financial Liabilities	276,076	-	-	276,076
Totals as of December 31, 2015	**276,076**	**-**	**-**	**276,076**

Note 41. Share Capital Reduction

During the fiscal year ended December 31, 2015, the Company incurred significant losses, which, when combined with prior losses, surpassed 50% of the Company's share capital plus 100% of its reserves. Therefore, section 206 of Law 19550 (Business Organizations) requires the Company to reduce its share capital or restructure its equity.

At the Extraordinary Shareholders' Meeting held on April 14, 2016, the absorption of accumulated losses with the issuance premium was approved.

Note 42. Stock options

At the shareholders' meetings held on October 30, 2009, December 20, 2011, April 30, 2014 and April 16, 2016, a plan to establish options to purchase stock was approved as compensation for certain of our current and future officers and senior employees. As approved by the shareholders, such options carry the right to subscribe for up to a pre-determined number of shares equal to 7% of our current capital stock (i.e., 70,349,485 shares) including the shares issued under these options, subject to any adjustments and to the terms and conditions determined by the board of directors.

On November 10, 2011 and December 11, 2012 the board of directors approved an incentive plan based on stock options for the benefit of our executives and employees in accordance with the resolutions adopted by the shareholders. The main features and conditions of this plan are, among others:

i. Purpose: attract and retain the services of exceptionally competent executives and employees, and provide them with an incentive to boost their efforts on our behalf;

ii. Plan Management: the plan will be managed by the compensation committee, with ample powers to establish the final terms and conditions of the documents implementing the plan and the beneficiaries thereunder;

iii. Beneficiaries: senior employees;

iv. Shares subject to the plan: shares subject to the plan may not exceed in the aggregate 7% of our common shares after giving effect to the issuance of shares subject to the plan (on a post-dilution basis);

v. Vesting and collection of benefits: every option may be exercised on the date to be determined by the compensation committee, as stated in the respective stock option agreement, and in any case, not later than ten years after the date granted. Unless otherwise expressly stated, an option will vest and may be exercised in respect of shares subject to the option at a rate of one fourth per year until the fourth anniversary of the date when granted;

Note 42. Stock options (continued)

vi. Form of payment of the price: the price of the shares shall be paid in cash, in Pesos. Issuance of shares subject to the plan will be conditional upon payment to us of the full price of the option by the beneficiary under the plan; and

vii. Lock-up: shares subscribed under the plan may not be sold, transferred or disposed of by the holders thereof until 180 days after the date of subscription.

The plan will be managed by the compensation committee, whose members are Federico Nicolás Weil, Darío Ezequiel Lizzano and Ralph Faden Reynolds. The compensation committee is responsible for establishing the final terms and conditions of the documents implementing the plan and the beneficiaries thereunder.

As of the date of these financial statements, the compensation committee has not granted any stock options under this plan, as the proceedings to obtain the required CNV consent (File Nº 2074/13) for such action have not been completed.

On April 14, 2016, our Shareholders' Meeting approved the issuance of stock options for up to 5% of the number of shares to be issued as a result of this offering, to be granted to officers and employees of our company. At such Shareholders' Meeting, the Shareholders delegated the determination of the terms and conditions for the issuance of such stock options to the Board of Directors.

Note 43. Subsequent events after March 31, 2016

There have been no events or transactions between the closing date of this period and the issuance of these financial statements significantly modifying the equity of the Company as of March 31, 2016, or the period the income balance ended to such date.

On April 14, 2016, shareholders of the Company at the Shareholders' Meeting resolved, among other matters, to (i) absorb the accumulated loss with the account "Premiums of issuance" for $ 257.434.075, (ii) appoint new board members; (iii) increase the Company's capital stock by $ 345,000,000, i.e., from $ 70,349,485 to $ 415,349,485 through the issuance of $ 345,000,000 common shares with a share issue premium between $ 13 and $ 24 to be offered for subscription in Argentina and/or abroad]; (iv) file a registration statement with the SEC and request the listing of the shares on the NYSE or NASDAQ; (v) permit the issuance of stock options of up to 5% of the shares to be issued pursuant to the aforementioned capital increase for the benefit of certain officers and employees; and (vi) approve certain amendments to the Company's By-Laws relating to a new plan of development and growth and to conform with recent changes to Argentine regulations such as the new Capital Markets Law and the new Civil and Commercial Code and with certain SEC and exchange requirements.

In April 2016, Federico Weil entered into an employment agreement with the Company. The employment agreement provides that Federico Weil shall be the chief executive officer of TGLT, and will be responsible for the management and administrative direction of TGLT. In case of his termination without cause, Federico Weil will be entitled to a special indemnification payment equal to twice the severance payment owed to him under Argentine labor law. The agreement includes exclusivity, non-compete and non-solicitation clauses applicable to Federico Weil.

Note 44. Approval of the financial statements

These consolidated financial statements as of March 31, 2016 have been approved by the Company's Board of Directors on June 9, 2016**.**